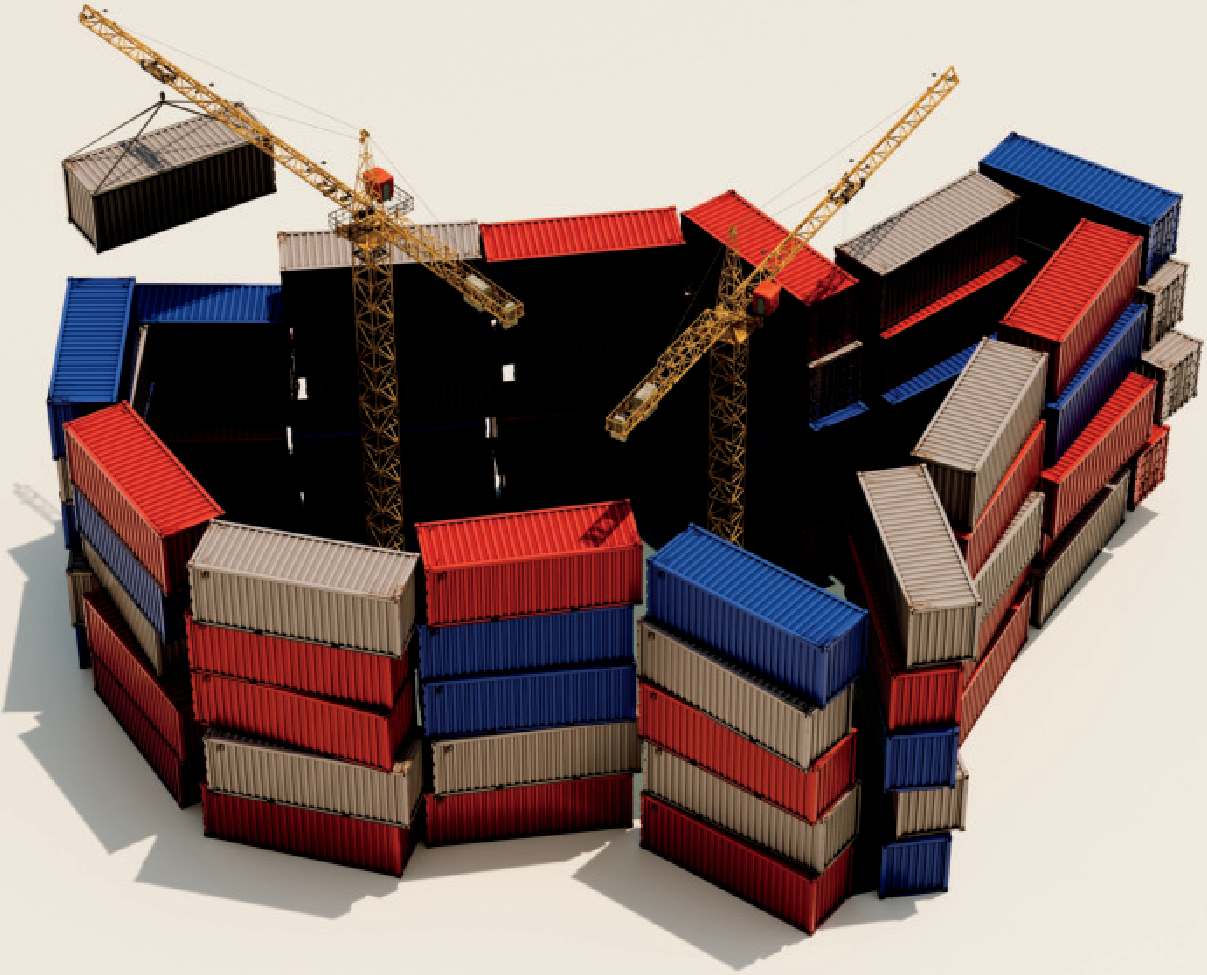
May 2025

Bloomberg Businessweek

- TRUMP'S DANGEROUS GAMBLE *by Joshua Green*
- IS THIS THE END OF CHEAP STUFF? *by Amanda Mull*
- THE COST OF TRADE WAR *by Tom Orlik*
- ARCHITECT OF AN UNCHECKED PRESIDENCY *by Max Chafkin*



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PHOTOGRAPH BY ADRIAN CUERDO FOR BLOOMBERG BUSINESSWEEK; PROP STYLIST: VICTOR LOPEZ

■ Despite appearances, men are having a crisis of confidence ▷ 63

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Contributors

● **Joshua Green** is a senior national correspondent at *Bloomberg Businessweek* and author of *Devil's Bargain: Steve Bannon, Donald Trump, and the Storming of the Presidency*. He was part of a team that interviewed Trump in July and got a hint of the tariff regime that's upended global markets.

● *Businessweek* senior reporter **Amanda Mull** notes that to Richard Nixon, the best feature of midcentury US consumer expos in Europe and the Soviet Union was how they idealized the American housewife's lifestyle.

● **David Welch** is Bloomberg News' Detroit bureau chief. He describes GM's proposed electric crossover as "a Lamborghini Urus, but with Corvette DNA." (It's been shelved indefinitely.)

● Bloomberg News senior reporter **Josh Eidelson** visited eight states for his story on the subminimum wage for workers with disabilities.

● **Derek Guy** is a men's fashion commentator and author of the *Die, Workwear!* style blog.

● **Adrián Cuerdo** is a freelance fashion photographer and creative director who says he represents the world "through a theatrical and humorous lens."

Cover

Bloomberg Businessweek
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Illustration by Saratta Chuengsatiansup. For this surreal 3D collage, shipping containers form barricades to trade. Chuengsatiansup also notes that in his hometown, Bangkok, the police and military often use containers as literal barricades when there are protests.

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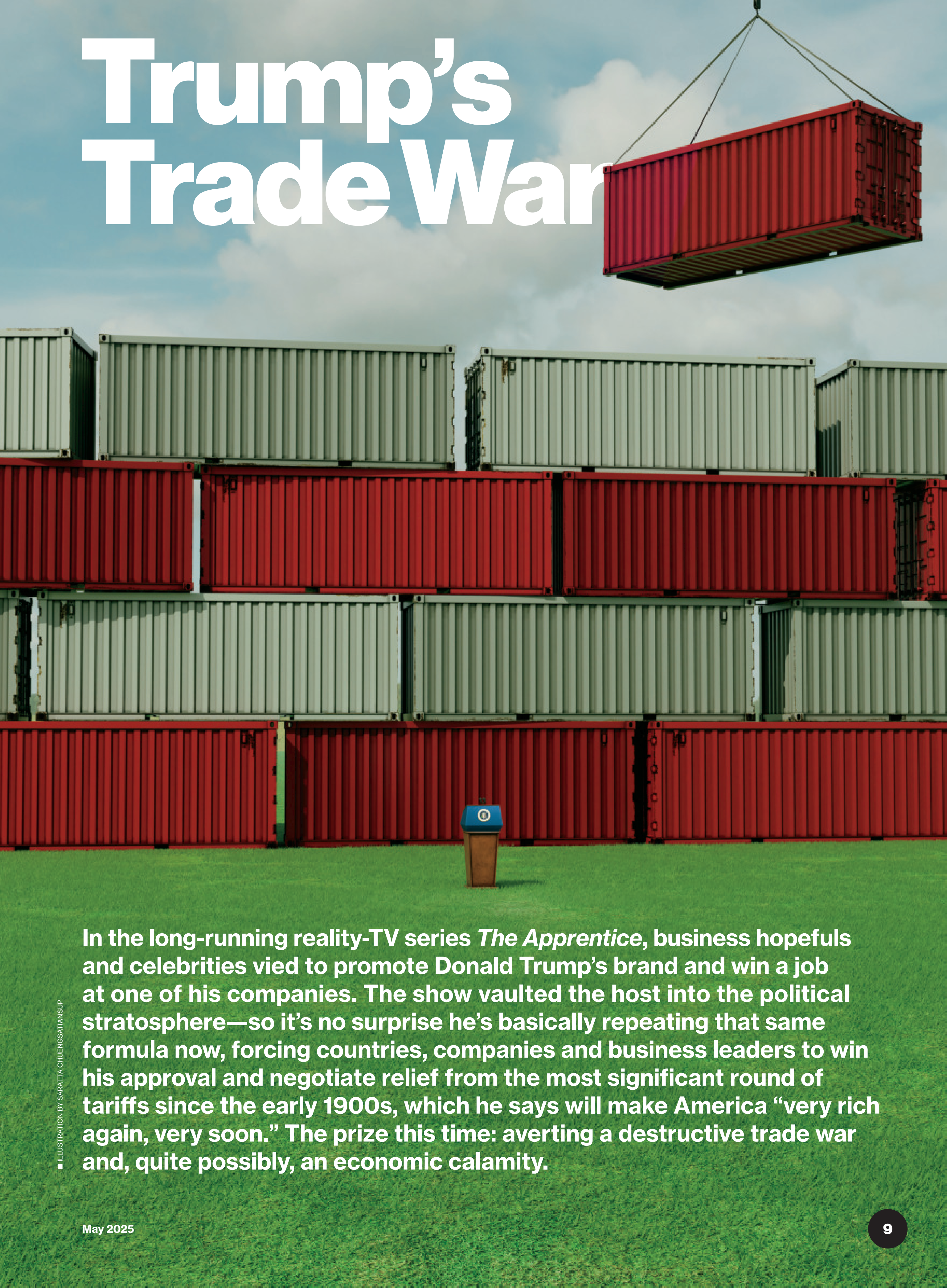
Trump's Trade War



In the long-running reality-TV series *The Apprentice*, business hopefuls and celebrities vied to promote Donald Trump's brand and win a job at one of his companies. The show vaulted the host into the political stratosphere—so it's no surprise he's basically repeating that same formula now, forcing countries, companies and business leaders to win his approval and negotiate relief from the most significant round of tariffs since the early 1900s, which he says will make America "very rich again, very soon." The prize this time: averting a destructive trade war and, quite possibly, an economic calamity.

ILLUSTRATION BY SARATTA CHUENGSATIANSUP

A Protectionist Presidency

The Mar-a-Lago Theory of Trump's Tariff Obsession

By Joshua Green

Reciprocal Tariffs

Last July, just before Donald Trump's first and only debate with Joe Biden, a team from *Bloomberg Businessweek* traveled to Mar-a-Lago to interview Trump about his plans for the economy if he returned to the White House. Our 90-minute discussion spanned all the major topics: tax cuts, deregulation, China, the Federal Reserve and the fate of Fed Chair Jerome Powell. Afterward, as we were leaving, our team compared notes about what we'd learned and what had most surprised us. In the latter category, everyone was struck–and frankly a bit puzzled–by how eager Trump had been to talk about William McKinley, the 25th president. Twice, Trump brought him up unprompted, discoursing at some length about how McKinley was "the most underrated president" and one who "made this country rich."

McKinley was, of course, a fervent protectionist and author of the McKinley Tariff Act of 1890, which raised average import duties to almost 50%–among the highest rates in US history at the time. In hindsight, Trump's fixation with the man he admiringly dubbed "the Tariff King" was a clue that foreshadowed the global trade war he'd launch on "Liberation Day," April 2.

Trump's sweeping tariff regime roiled markets, driving the S&P 500 to the brink of a bear market and sending yields on long-term US bonds soaring. Wall Street titans, including many who'd backed Trump, reacted with alarm. Ken Griffin called the tariffs a "huge policy mistake." Bill Ackman warned of "economic nuclear war." Jamie Dimon grimly predicted a recession as the "likely outcome." The scale and suddenness of Trump's attack on US trading partners only magnified its impact–including the panic that ensued. No one had quite grasped what was coming. It cut against what investors thought they knew about Trump: that he should be taken "seriously, not literally"; that although he was disruptive and unpredictable, he ultimately longed for a booming stock market and the imprimatur of success he believed it conferred on him. And so, the thinking went, he'd never do anything to truly jeopardize that.

Even Trump's closest economic advisers read him wrong. In a client note last year, Treasury Secretary Scott Bessent, who was then running the hedge fund Key Square Group, predicted "an economic lollapalooza" to rival the Roaring Twenties if Trump were to return to the White House. Bessent wrote that it was foolish to worry about across-the-board tariffs, which he saw as "unlikely" since "tariffs are inflationary." He added: "The tariff gun will always be loaded and on the table but rarely discharged."

■ BRENDAN SMIALOWSKI/AFP/GETTY IMAGES

Trump's abrupt reversal on April 9—pausing tariffs on most countries just days after announcing them—only intensified the economic whiplash from a trade war that already seems destined to define his second term. Even as he eased some measures, he escalated others, ratcheting up duties on Chinese goods to 145%. Trump's actions stand to reshape global trade and alliances while casting doubt on the dollar's status as the world's reserve currency. It could upend domestic politics too. An April 8 YouGov survey found that only 16% of Americans said they believe Trump's tariffs will improve their financial well-being, while 55% thought tariffs would hurt them—views that were consistent across age, race, gender and income groups.

After everyone misread Trump's intentions, the multitrillion-dollar question is what he might do next. It's entirely possible, even likely, that he doesn't know himself. But looking back at our July meeting, I've come to believe he revealed more about his thought process, on trade and everything else, than I appreciated at the time.

An odd thing happened in the middle of our interview. Bernd Lembcke, Mar-a-Lago's longtime manager, happened to wander by. Trump halted the discussion and called him over. With pride, he had Lembcke tell us the cost of a club membership: $700,000. But that price would soon rise. "In October we're going up to $1 million," Lembcke told us, to Trump's evident satisfaction.

Trump's message was clear: Now that he'd secured the GOP nomination and built a steady lead over Biden, access to Mar-a-Lago—and to Trump himself—would come at a premium. It was, after all, prime real estate, and prospective members were eager to get in. "We are not desperate," Lembcke told us. Rather, Trump was charging more simply because he could.

Amid the turmoil of his tariff rollout, Trump and his allies put forward a series of justifications, some of them contradictory, for his motives and objectives: protecting and creating American jobs, forcing manufacturers to return home, eliminating trade deficits, punishing China and extracting concessions from ungrateful US allies. But given his aggressive push to remake global trade through the threat of US tariffs, a different explanation may better illuminate Trump's worldview, one that could be characterized as the Mar-a-Lago approach to economic statecraft.

Steve Bannon, Trump's former chief strategist and someone who understands him as well as anyone, recently told me that Trump sees the US from the perspective of the real estate developer he once was—and that this explains his powerful impulse to impose tariffs on foreign nations. "The message Trump is sending is that the American market should be considered premium," Bannon explained. "It's prime real estate. And you're going to have to pay a premium to get access to it." In other words, the US is like Mar-a-Lago: an exclusive, gilded domain others are clamoring to enter. "This is a central part of his economic model," Bannon continued, "that foreigners are going to have to pay a premium to get access through the golden door. It's not tariffs as we traditionally think of them. It's a new revenue stream to take the tax burden off domestic corporations and individuals."

Every president aspires to leave his lasting mark on history. Trump, who was impeached twice, voted out of office and relegated to political exile, might be more determined than most. His actions in the first week of April make it clear that his faith in tariffs as the engine of American renewal—his conviction that aggressively increasing the cost of access to the US market is an untapped wellspring of national prosperity, a kind of free lunch—is the animating idea of his presidency.

But presidents who try to impose sweeping plans tend to fail. And even when they don't, unanticipated consequences often thwart their ambitions. Two decades ago, George W. Bush and Karl Rove pursued a grand plan to engineer a political realignment. They believed that, by steering government funds to religious organizations, reforming immigration laws to appeal to the growing Hispanic population, privatizing Social Security and offering private savings accounts as an alternative to Medicare, they could fortify the Republican coalition and lure away Democratic voters, whose interests would increasingly align with market principles. They failed on almost every front. Voters revolted, and Bush left office with record-low approval ratings.

More recently, Biden set out to reverse decades of deindustrialization and engineer a green revolution by persuading Congress to pass trillions of dollars' worth of legislation. The Chips and Science Act and the Inflation Reduction Act aimed to greatly enhance domestic semiconductor manufacturing and bolster American innovation, while also funding clean energy projects, electric vehicles and sustainable technologies that would address climate change and inflation. But Biden's landmark laws, also including the American Rescue Plan, contributed to price hikes that American voters were unwilling to tolerate, paving the way for Trump's return to the White House.

Presidents don't like to let go of their big ideas. McKinley's tariff was poorly received and was followed by steep price increases. In the 1890 election, voters turned on his party, costing Republicans their House majority and nearly half their seats. But McKinley's faith that tariffs would bring prosperity never dimmed. Elected president in 1896, he promptly raised them even higher and used the threat of further increases as leverage with foreign nations until his assassination in 1901.

Trump, too, hasn't really backed down. His pause on tariffs for 70-odd countries was dwarfed by the larger ones he imposed on China. In addition to his launching a full-blown trade war with China, his 10% universal tariffs remain in place, along with sectoral duties on steel and autos. Even as he announced his pause, Trump groused that investors had gotten "yippy" and that bond markets had grown "queasy." He didn't sound like someone second-guessing his core beliefs. "Nothing's over yet," he said defiantly.

Although he might have encountered a setback, all signs suggest his strategy remains very much intact—that he still believes, as McKinley did, that protectionism is the key to an American renaissance.

If Trump presses ahead with aggressive tariffs, we may eventually get clarity about who's right: him, or the economists, bankers and investors who warn that his approach will shrink global trade, rekindle inflation, damage the US economy, and leave America poorer, weaker and more isolated than before. Ⓑ

Cheap Stuff *Is* a Core Part of the American Dream

● **By Amanda Mull**

In the decades after World War II, as the Americans and Soviets waged a multifront cultural and political fight for the soul of Europe, the US deployed a potent weapon: home appliances. And clothes. And color televisions. And sporting goods. And canned soda.

The US spun up a shock-and-awe campaign to sell the world on the splendor of its affordable, abundant consumer conveniences. It started in Marshall Plan-era West Berlin, where in 1950 the US Department of State built a gleaming trade pavilion packed with thousands of everyday products available to a growing suburban middle class across the Atlantic. For the first exhibition, a model tract home was shipped over from Minneapolis. In later shows, actors depicted nuclear families going about their daily lives through product demonstrations: getting dinner on the table in a jiffy with a microwave, throwing laundry into an electric washer and dryer, sitting down with the kids to watch some TV.

These exhibitions were part of an expansive effort to pitch US-style capitalism to war-weary, communist-sympathetic Europeans, which was one of the most effective propaganda campaigns in American history. Thousands of visitors flooded in to catch a glimpse of a very foreign notion of modern life—first in Berlin, then across West Germany and Italy, and eventually in the USSR itself. At the first Moscow exhibit in 1959, Soviet Premier Nikita Khrushchev erupted in anger at his guide, then-Vice President Richard Nixon, over the display of American decadence. In the years following, Khrushchev tried to fight the propaganda not by opposing consumerism, but by embracing it in state media, promising that comparable Soviet products were already or would soon be available. (They weren't and wouldn't be.) The move backfired spectacularly, according to a 2005 article by historian Greg Castillo, because it helped validate America's message about the superiority of capitalism as an economic system. "A runaway inflation of consumer desire ultimately bankrupted the political economy of Soviet-style socialism," he writes. Once the people see dishwashers, they want a dishwasher.

Americans still want dishwashers—and iPhones and new sneakers and closets overflowing with clothes and rainbows of fruits and vegetables at the grocery store. The Marshall Plan's pitch for "citizen enfranchisement through rising purchasing power," as Castillo describes it, was fine-tuned at home before it was deployed abroad, and it's still one of the primary animating principles of America's identity—and its economy. Today household consumer spending constitutes almost 70% of US gross domestic product—the highest proportion for any industrialized nation. Supplying this bounty has required massive development of production capacity around the globe. Although Americans consistently express a preference for American-made goods in surveys, their actual purchasing habits have demonstrated for decades that affordability and an abundant selection trump any ideological preference for domestic manufacturing when it comes time to buy.

For almost a century, leaders from both parties have worked in concert to ensure that the import-fed fire hose of consumer convenience continues to gush. Getting in between Americans and their stuff has long been one of the third rails of US politics—for the rare few who've tried, even with the best of intentions, the efforts have ended poorly enough to act as a warning to those who would come after them. (President Jimmy Carter, for example, lectured the public on the virtues of thrift. It didn't go well.)

Team Trump seems not to care. "Access to cheap goods is not the essence of the American dream," Treasury Secretary Scott Bessent said at the Economic Club of New York in March, dismissing widespread fears (though seemingly confirming ▶

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◀ them in substance) that the administration’s draconian tariff regime would lead to price hikes and shortages of all manner of imported goods. As a matter of historical fact, Bessent is wrong, though most Americans probably agree with him on some level, if only because the notion isn’t maximally flattering. President Donald Trump campaigned on making consumer goods cheaper—“Starting on Day 1, we will end inflation and make America affordable again, to bring down the prices of all goods,” he told a crowd at a Montana rally in August 2024. If Trump pushes forward on policies that are all but guaranteed to deliver another blow to Americans’ purchasing power, he’ll be daring Americans to reconsider what prosperity actually means—a forced reflection that, at the very least, could come at potentially great cost to his party in next year’s midterm election. Investors, who don’t have to wait till November 2026 to cast their vote, have already sent financial markets plunging on fears that Trump’s trade moves will provoke a recession.

Consumerism has always been used toward political ends. When the consumer system emerged in the latter half of the 19th century, the Industrial Revolution had kicked off a broad reordering of society in the US: People began to migrate in droves to cities to take jobs in new factories, banks, newspapers and beyond. Regulations on corporate activity loosened, and private companies grew more numerous, larger and more powerful. An extravagantly wealthy class of industrialists emerged, as did a new middle class of office workers.

New classes create new class politics. America’s robber barons, with their habits of buying off politicians and violently breaking strikes, had a worse reputation problem than today’s billionaires. The industrialists, though, had a bargaining chip: affordable consumer goods. Factories could churn out a daz-zling array of products at a scale and speed previously unthink-able, and urban office workers, who made more money and had more leisure time than their counterparts in factories, made ideal buyers for these new goods. Working in league with the owners of the country’s new department stores, industrialists pitched consumption to white-collar workers as proof that the wealthy were looking out for the little guy too. “It was in their interest to give the impression that they, not their employees or other workers, were the true populists and that consumption, not production, was the new domain of democracy,” writes the historian William Leach in his book *Land of Desire: Merchants, Power, and the Rise of a New American Culture*.

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In return for consumer abundance, many middle-class Americans would take business and political leaders’ word for it when they said that the government was expensive and waste-ful and that the social safety net needed to be kept lean to dis-courage laziness and freeloading. In return, their taxes would be low and, if they worked hard, the power of consumerism would provide the opportunity to buy whatever they wanted or needed—some bureaucrat wouldn’t choose how to spend their money for them.

As a result, we have things like affordable dishwashers and effective in-home clothes dryers—the kind of stuff that’s still far less common in Europe, where people broadly settled on a more moderate version of this bargain with capitalists—but no guarantee of basic health care or paid sick leave. Trading universal health insurance for a shot at one day renovating your own big, beautiful American kitchen with all the bells and whistles isn’t a deal that everyone born into the US economic system will be glad their forebears made on their behalf, but at the very least you can plausibly call it a trade.

What the Trump administration instituted in April with its so-called Liberation Day tariffs isn’t a trade, it’s a sacrifice. As Republicans in Congress weigh cuts to the country’s existing social safety net, it’s a withdrawal of a century-old deal with nothing material to replace it. Even if the tariffs do succeed in eventually luring manufacturing jobs back to America—an outcome that most economists and industrial experts don’t believe will ever materialize—any upside would be many years down the road. In the interim, millions of people would see their household budgets severely squeezed.

There is already a simmering rage about affordability among Americans over everything from eggs to health care to housing, which seemed to play a not-insignificant role in propelling Trump back into the White House by strengthening his support among lower-income Americans. Every indication suggests that cohort, in particular, is set to see its spending power kneecapped. Beyond that, Trump’s combination of trade, immigration and government-spending policies could tip the economy into a recession, leaving millions of Americans vulnerable to losing their jobs.

Khrushchev and Nixon at the 1959 American National Exhibition

■ UNIVERSAL HISTORY ARCHIVE/UNIVERSAL IMAGES GROUP/GETTY IMAGES

But the material impact of these changes isn’t the only issue at hand. Americans, perhaps more than any other group of people in the world, imagine themselves through their consumer identities. Like it or not, our purchasing decisions are how we’re taught to construct our sense of self, to communicate our values, to assert our agency. Historically, this has made life easier for political leaders—people who feel most comfortable expressing themselves through consumer choice are less likely to express themselves in other, potentially more troublesome ways. Taking a hammer to those choices may very well inspire some of them to consider other options. Ⓑ

Tariff Math

Dangerous Game

● **By Tom Orlik**

In *Gravity's Rainbow*, Thomas Pynchon's sprawling World War II epic, a rocket engineer testing his latest design stands at the exact point it would land if everything worked perfectly. His reasoning: The complexities and uncertainties in the new technology are so great that a bull's-eye is the least likely outcome.

Economists attempting to forecast the impact of President Donald Trump's "Liberation Day" tariffs might arrive at a similar conclusion. There's policy uncertainty—who knows if tariffs will be kept in place or negotiated away? Economic uncertainty—who knows whether producers or consumers will bear a larger share of the cost? And modeling uncertainty—who can estimate the impact of massive tariffs when there's no recent experience as a guide?

Uncertainty cubed. What to do? Bloomberg Economics' approach is to take a variety of approaches. To gauge the impact of tariff hikes on US growth and inflation, we used results from a Federal Reserve study conducted during Trump's first term. To estimate the hit to China, European countries and other nations, we employed a global model from the World Trade Organization. Plus we looked at data on both imports and inflation to see how Trump's moves are already affecting the economy.

The results show that a historic tariff hike is set to have a historic impact. The latest measures the Trump administration announced will take the average tax rate on US imports from 2% all the way up to about 23%. Plugging that increase into the Fed's model shows a reduction in US gross domestic product of close to 3% and a boost to inflation of almost 2%. This toxic combination, which economists call stagflation, will likely play out over two to three years. Europe's exports to the US could drop 20%; China's might fall as much as 90%—depending on what happens to tariffs on smartphones and other electronics. Will Apple Inc.'s "designed in California, made in China" business model survive? What about Walmart Inc.'s supply chain? I guess we'll find out.

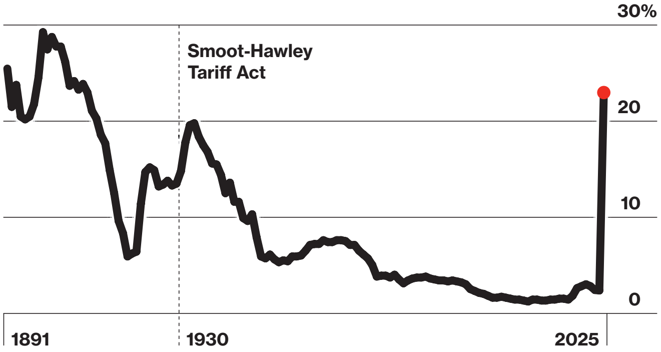
Could the economic damage be even greater? Sure. Trade policy uncertainty has rocketed to a record high. If it stays there, with businesses unsure whether tariffs are now set or still in flux, that's going to result in a paralysis of indecision affecting both hiring and investment. The sheer intensity of the shock—the world's biggest economy striking against all its major trade partners at the same time—raises the possibility that something unexpected will break. A repeat of the inflation-stoking supply

■ PHOTOGRAPH BY JEFF BARK FOR BLOOMBERG BUSINESSWEEK ■ DATA: US-ITC, US CUSTOMS, US CENSUS BUREAU, BLOOMBERG ECONOMICS. ALL ESTIMATES USE 2024 TRADE COMPOSITION

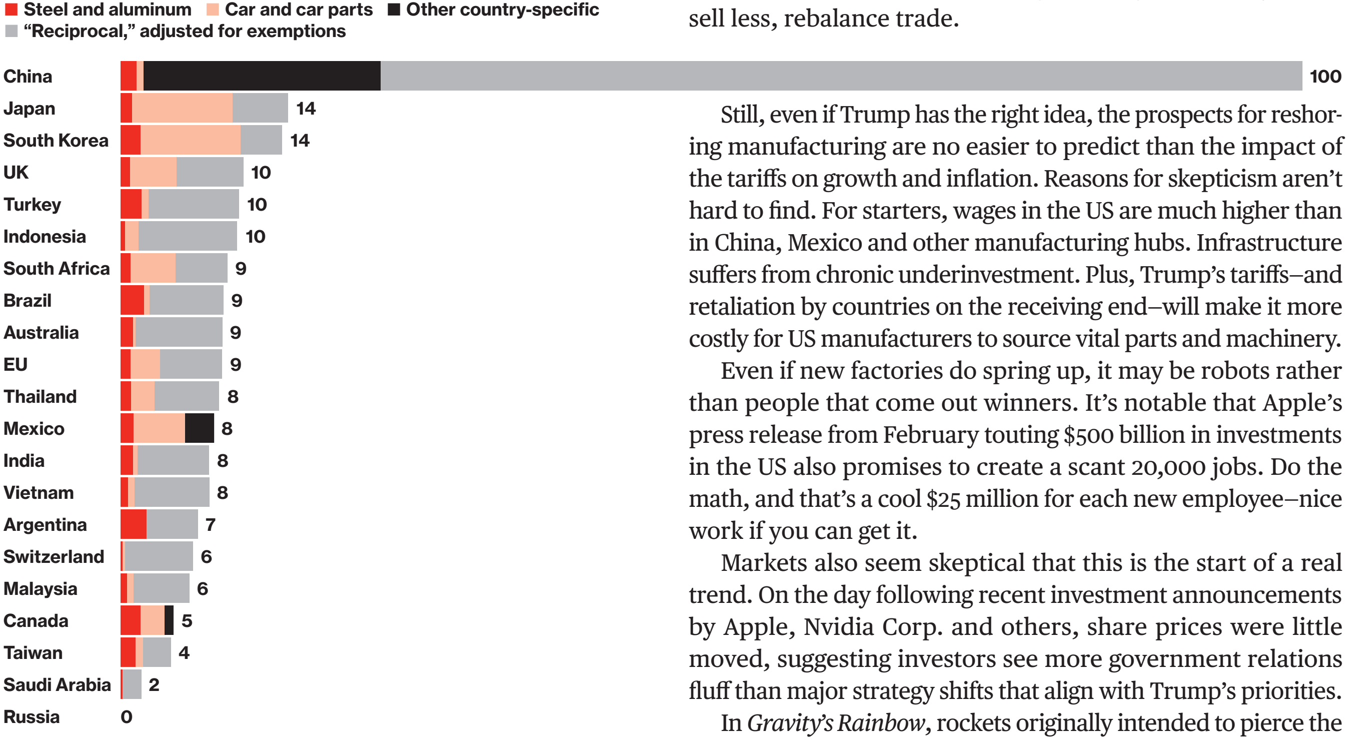
Trump’s Tariffs Are Historic

Average US duties on imported goods

● Bloomberg Economics estimate, 4/13/25



Estimated percentage-point increase in average tariff on goods exported to the US since January, as of 4/13/25



chain snarls that the pandemic has triggered is one possibility.

Could it be less? Definitely. We’ve already seen that tariffs can be revised down or paused from one day to the next. If that happens again—because other countries are making concessions, chief executives are getting on the phone to the White House or financial markets are crashing—there will be less pain. Businesses are ingenious: Judging from US trade figures for the past few months, many have front-loaded imports in anticipation of the hikes. A glut of inventory means prices for some products could initially go down instead of up.

Amid all the uproar, it’s important to acknowledge that Trump has a point when he says other countries are “ripping off” the US. China, Europe and others put up barriers to American products that their own goods don’t face in the US market. Those barriers are one reason the US has an enormous goods trade deficit: a record $1.2 trillion in 2024. Economic research shows openness to imports has cost the country scores of manufacturing jobs and contributed to stagnant middle-class incomes. Worse, a big share of the deficit—almost $300 billion—is with China, giving a leg up to America’s main geopolitical rival.

From that perspective, it’s not Trump but the free traders who have the wrong idea, and action to level the playing field is long overdue. The administration can point to some early wins, including a drumbeat of US investment announcements from Apple, Nvidia, Taiwan Semiconductor Manufacturing and others. Add them up, and the total so far is more than $1 trillion. Also, China and Germany have signaled they aim to dial up their spending at home. Their governments wouldn’t admit it, but that addresses a long-standing US ask: Buy more, sell less, rebalance trade.

Still, even if Trump has the right idea, the prospects for reshoring manufacturing are no easier to predict than the impact of the tariffs on growth and inflation. Reasons for skepticism aren’t hard to find. For starters, wages in the US are much higher than in China, Mexico and other manufacturing hubs. Infrastructure suffers from chronic underinvestment. Plus, Trump’s tariffs—and retaliation by countries on the receiving end—will make it more costly for US manufacturers to source vital parts and machinery.

Even if new factories do spring up, it may be robots rather than people that come out winners. It’s notable that Apple’s press release from February touting $500 billion in investments in the US also promises to create a scant 20,000 jobs. Do the math, and that’s a cool $25 million for each new employee—nice work if you can get it.

Markets also seem skeptical that this is the start of a real trend. On the day following recent investment announcements by Apple, Nvidia Corp. and others, share prices were little moved, suggesting investors see more government relations fluff than major strategy shifts that align with Trump’s priorities.

In *Gravity’s Rainbow*, rockets originally intended to pierce the heavens become weapons of war, the dream of transcendence dragged back to Earth by the gravity of human failure. The arc of the rocket, though, is also the arc of the rainbow, suggesting that from the destruction a new dream may emerge.

The free-trade rocket that took flight in the years after World War II—part of a US-led mission to bring peace and prosperity to war-torn Europe—has crashed back to Earth. It’s possible that from the broken pieces a new paradigm emerges, striking a better balance between the economic efficiency of open borders and the greater social equity and national security that controlled borders afford.

That’s the rainbow Trump is hoping for. Right now, as the stomach-churning plunge in global stocks that followed his “Liberation Day” announcement shows, the downward pull of gravity is tough to escape. Ⓑ

Dispatch From DOGE

Russell Vought Is the Architect Behind Trump's Imperial Presidency

● **By Max Chafkin**

Cat Farman realized in January that her job might be at serious risk. It was the night she learned that a small group of engineers close to Elon Musk had forced their way into the headquarters of the US Agency for International Development. In the days that followed, they would gain access to sensitive employee records and bar staff from the building. The legality of all this was questionable—USAID exists because of an act of Congress, meaning it can only be dissolved the same way—but that didn't deter Musk from declaring victory. "We spent the weekend feeding USAID into the wood chipper," he posted on X on Feb. 3.

Farman works for a different government agency, the Consumer Financial Protection Bureau, but she understood that the USAID news suggested she might be next. The CFPB, like USAID, is fairly obscure, with a do-gooder mission that conservatives, including Musk, have derided as wasteful and excessively woke. "I could see we were vulnerable in the same way USAID was," says Farman, who's president of the CFPB's union.

Union members set up a table in the lobby, scoured news reports for names of anyone connected to Musk's White House office, the so-called Department of Government Efficiency, and looked for any sign of them within the CFPB's employee directory. On Feb. 7, Farman's union issued a press release noting that it had discovered three "dodgy DOGE bros" working at the CFPB. They were Chris Young (formerly of Musk's political action committee), Nikhil Rajpal (formerly of X and a college libertarian group) and Gavin Kliger (who'd worked with Musk on the attempted closure of USAID). The DOGE bros had been given access to the CFPB's human resources, finance and procurement records, ostensibly to conduct an audit to identify services to cut. The same day, Musk seemed to confirm what Farman feared: The plan was to cut them all. "RIP CFPB," Musk posted on X, adding the tombstone emoji.

Farman knew those words didn't necessarily mean her agency was dead. Musk's tenure in President Donald Trump's second administration has been defined by chaos as much as cost-cutting. Musk has claimed to have cut $150 billion from the federal budget, a substantial sum if true. But independent analyses have suggested the real number may be much lower than advertised. Critics have accused his team of exaggerating ▶

■ PHOTO ILLUSTRATION BY 731; PHOTOS: GETTY IMAGES (1); ZUMA PRESS (1)

◀ or simply misunderstanding its impact, and its most dramatic defenestrations, USAID included, were blocked (at least temporarily) by federal judges. Musk's own antics on social media, on podcasts and in public settings have at times come off as politically unproductive, ineffective, clownish or all of the above. The press release from Farman's union hinted at some of this. "CFPB Union members welcome our newest colleagues and look forward to the smell of Axe Body Spray in our elevators," the union wrote.

But the following day, it became clear to Farman that her adversary wasn't Musk, or any engineers who might have doused themselves with Axe's unique *eau de middle school*. She was really up against Russell Vought, the Trump loyalist who'd just been named director of the Office of Management and Budget (OMB) as well as acting director of the CFPB. Farman hadn't heard of Vought before he became CFPB director, which is pretty much how Vought likes it. A self-described "boring budget guy," he's best known for co-authoring the 900-page policy playbook of the Heritage Foundation's Project 2025, which has become something of a bible for Trump's second term. Vought's think tank, the Center for Renewing America, has produced numerous policy papers that advocate for such Trump fixations as the annexation of Greenland ("a prudent aim," according to a CRA paper) and enacting broad tariffs ("just as sometimes a nation must go to war with guns and bombs, so sometimes are trade wars necessary"), among others. At the center of Vought's ideology is the unitary executive theory, which critics say amounts to an argument that Trump should have wide latitude to do whatever he wants.

Vought's unique combination of loyalty and knowledge of how the government actually works makes him perhaps the most powerful person in Washington not named Donald Trump. If you see a Republican politician or a member of the Trump administration talking about the "deep state," or the "regime," there's an almost 100% chance they know his work. "Nobody in DC has a better grip on the numbers and the management process of the federal government than Russ Vought," says Steve Bannon, Trump's former chief strategist. "He's one of the critical architects of the Trump restructuring of the US government." This includes Musk, who's been in regular contact with Vought from the start of the presidential transition and is seen by Vought's allies as the public-facing arm of his agenda.

The two men are unlikely allies. Bald and bearded, with a nasal voice and a professorial affect, Vought is as deliberate as Musk is erratic, as focused as Musk is scattered, as detail-oriented as Musk is deliberately obtuse. "There are members of the Trump administration who are woefully incompetent," says Bobby Kogan, who served as an adviser to the OMB under President Joe Biden and is now a senior director at the Center for American Progress. "Russ is very smart. He's careful. He absolutely knows what he's doing."

The example of the CFPB showed how this tag team has been working. While Musk took credit for the shutdown and his DOGE team attracted attention from union members, it was Vought who quietly did much of the actual work. On Feb. 8, his first full day as the CFPB's interim director, Vought sent an email ordering employees to stop whatever they were doing and informed the Federal Reserve that the CFPB wouldn't take any further funding for the year. In the days that followed, he closed the office, canceled most of the agency's contracts, axed more than 200 employees and began preparations for far wider layoffs. "He wasn't trying to make it more efficient," Farman says. "They were trying to illegally fire everybody." (The Trump administration has disputed this.)

Like many committed civil servants, Farman is an idealist who regards her agency's work—protecting consumers against financial scams big and small—as both apolitical and righteous. Vought seems to believe the opposite. "We want the bureaucrats to be traumatically affected," he said in a speech last year. "When they wake up in the morning, we want them to not want to go to work, because they are increasingly seen as the villains." This was Farman's introduction to her new boss. She watched a video recording of that speech, first published by ProPublica, the weekend Vought took charge. Having that sentiment out in the open, "I almost felt better," she says. "He wants to f--- with us. To get us to quit."

Instead, Farman's union sued, arguing that Vought's actions amounted to a stealth attempt to illegally dismantle the CFPB without congressional approval. A week later a federal judge granted a temporary restraining order that paused the cancellation of contracts and any mass firings. The circumstances, the judge said, were exigent, given that the agency had already "been largely dismantled." A current CFPB staffer, testifying in a court affidavit, described conversations with senior officials at the bureau who said Vought's plan is to turn the agency into a single room with "five men and a phone." (Administration lawyers have denied this was the goal and said the downsizing effort has been lawful.)

Contrasting Vought's vision with the founding aims of the CFPB, which Senator Elizabeth Warren dreamed up as a response to the 2008 financial crisis, hints at the scope of Musk and Vought's ambitions. But while Musk was the main character of the first two months of Trump's second term, his influence in Washington may not last, amid questionable results, poor approval numbers and the shrinking share price of Musk's publicly traded car company, Tesla Inc. Musk also engineered a high-profile embarrassment for Trump by injecting himself and funneling at least $20 million into the April 1 Wisconsin Supreme Court race on behalf of Trump's candidate—who lost in a rout, after the race became a referendum on Musk. Buzz around Washington is that Musk may soon be on his way out. "He's going to want to get back to his businesses full time," Trump recently told reporters aboard Air Force One.

If he does, Vought would become even more important. A Trump administration official, who requested anonymity to share internal discussions, says Vought is widely perceived as preparing to pick up wherever Musk leaves off. Where Musk has shown a zeal for smash and grab, Vought has the institutional knowledge—and perhaps the patience—to make the DOGE cuts stick. Vought, this person says, "is waiting in the wings."

Vought on Capitol Hill in December

HAIYUN JIANG/THE NEW YORK TIMES/REDUX

Vought grew up in Trumbull, in southwest Connecticut, though his family didn't fit the stereotype of the wealthy suburb. He was one of seven children in a churchgoing family of modest means. Vought's father, a Marine veteran, worked as an electrician; his mother was a public school teacher who later co-founded a Christian elementary school. Vought has said almost nothing about his childhood, except that money was tight and faith was extremely important. "My mom led me to the Lord when I was 4 years old," he recalled in a 2023 podcast interview. He belonged to a "really strong Bible-preaching, Bible-teaching church," went to Christian summer camps, a private Christian school in Trumbull and, later, to Wheaton College, en evangelical institution just outside Chicago.

Vought was hardly a right-wing ideologue in his college years. He ran for student body vice president in 1997, on a ticket that supported commitment to improving recycling and to liberalizing the school's rigid social codes, which generally restricted men and women from visiting each other's dorm rooms unsupervised. He and his running mate promised "a realistic yet hopeful set of goals in the quest to connect students with their administrative leaders," according to a candidate statement published in the college paper. Vought lost that race but wasn't put off politics. The following year, he interned for his local congressman, Republican Chris Shays, before landing in 1999 as a legislative correspondent in the office of Senator Phil Gramm.

Gramm, a Texas Republican and curmudgeonly economist, first made his name as one of America's chief deficit hawks in the 1980s. "Everybody who wants something from the government is looking over their congressman's left shoulder, sending letters about the needs of the poor, the sick, the bicycle rider, whoever," says Gramm, now 82, explaining what he saw as the predicament. "The taxpayer is out there working, trying to make a living, and he ain't got the time. So you've got this terrible imbalance." Gramm is most famous for a bill, signed by President Ronald Reagan in 1985, that got lawmakers to agree that if they couldn't figure out how to get below a preset spending target, the White House would be forced to enact across-the-board cuts without congressional approval, a process known as sequestration.

In 1990, however, Congress rewrote the law to be less severe, and President George H.W. Bush agreed to raise taxes. By the time Gramm met Vought, the dot-com bubble was driving up federal tax revenue to such an extent that Federal Reserve Chair Alan Greenspan would eventually warn about the dangers of excessive budget surpluses. Deficit concerns seemed quaint, and Gramm found himself marginalized, including among Republicans. Steve McMillin, Gramm's former legislative director and later an OMB deputy director under George W. Bush, recalls his boss and fellow travelers being "voices in the wilderness."

Vought was doing a grunt-work job in that wilderness, responding to letters from Gramm's constituents, but he stood out as thoughtful and driven. "He was smart, and he paid attention," Gramm says. "We probably gave him more responsibility than we did most people with his lack of experience." Early on in his Washington years, Vought also briefly worked a second job as a clerk at a local B. Dalton bookstore and later began taking law school classes at night. Around 2001, when Gramm offered Vought a promotion to legislative assistant—a job with longer and more unpredictable hours—he accepted and told McMillin that he was ready to drop out of George Washington University's law school to devote himself fully to the new job. McMillin told Vought that was ridiculous; Vought received his JD three years later. "That he was ready to make a sacrifice," McMillin says, "really, really stuck with us."

Gramm's politics rubbed off on Vought too. He adopted Gramm's catchphrases, including "wagon pullers" (taxpayers) and "wagon riders" (people relying on government assistance). He also started using what Gramm called the Dickey Flatt Test: evaluating whether a proposed government program was worth the money by thinking like the average taxpayer—in this case, a small-business owner in Gramm's home state. Here the two men's philosophies diverged. Where Gramm framed the question largely in libertarian terms (don't tax unless you have to), Vought applied a cultural lens, placing more emphasis on the perils of using government money to fund left-wing projects. "That, too, is an angle that really animates Russ," McMillin says.

Vought spent several years working for a Gramm protégé, Jeb Hensarling, then served as executive director of the Republican Study Committee, a right-wing caucus. It was the "center of conservative gravity in the House," Hensarling says. He recalls Vought as a "true believer" with a "mastery of details of really arcane budget processes." Vought left Congress in 2010 and went to work as vice president of Heritage Action for America, the lobbying arm of the Heritage Foundation. There he took up another of Gramm's favorite pastimes: calling Congress gutless.

In a series of essays for Red State, the commentary site run by conservative radio host Erick Erickson, Vought railed against congressional Republicans for, as he saw it, failing to block President Barack Obama's agenda. This position played well during the heyday of the Tea Party, when many conservatives suddenly became deficit hawks. Vought was ready to make the case for big changes. "We are past the point of incrementalism," he wrote in 2011. "We don't have the time to fiddle at the edges. We need elected officials free of calcified political assumptions of what is possible that reveal only their own level of accommodation with the liberal welfare state." ▶

◀ If Vought's time with Gramm transformed him into a fiscal hawk, his views on executive power came into focus during Trump's first term. Vought entered the administration, initially as the deputy director of the OMB, with some notable enemies. Along with his attacks on moderate Republicans, he'd written an essay in 2016 about Wheaton, his alma mater. At the time, the college was attempting to fire a professor, Larycia Hawkins, who'd said Muslims "worship the same God" as Christians. Vought wrote in support of Hawkins' firing. "Muslims do not simply have a deficient theology," he wrote. "They do not know God." Vought's point was a narrow theological one, though it was clear from his essay that at least part of his objection to Hawkins was political. He complained that Hawkins, the college's first tenured Black professor, was "in complete activist mode" and that she'd held a press conference with the Reverend Jesse Jackson—behavior he considered "not becoming of an employee of a Christian institution." Hawkins ultimately resigned, though Wheaton's provost has apologized for his handling of her case.

During Vought's 2017 confirmation hearing, Senator Bernie Sanders used the essay as an example of Trump's divisiveness. Noting that there are millions of American Muslims, Sanders asked, "Are you suggesting that all of those people stand condemned? What about Jews? Do they stand condemned too?" Vought maintained his composure and stonewalled. "Senator, I am a Christian," he said, repeatedly. Sanders pressed, his voice rising: "This nominee is really not someone who is what this country is supposed to be about." After he was confirmed, Vought used the exchange as a see-I-told-you to fellow travelers in a populist ideology sometimes called "Christian nationalism"—the idea that the US should more narrowly interpret the constitutional separation of church and state and be governed as an explicitly Christian nation. Vought later called Sanders' comments a "warning shot to Christians across the country."

Vought approached his tenure at the OMB, first as deputy director and later as director, with the zeal of an activist. "The left has innovated over 100 years to create this fourth branch" of government, he told the right-wing talk show host Tucker Carlson in a late 2024 interview, in recalling his work during the first Trump administration. "You and I might call it 'the regime'—this administrative state that is totally unaccountable to the president." The notion of a secret "regime" controlled by what Vought described as an unholy alliance of lobbyists, corrupt members of Congress, media elite and intelligence agencies became popular among members of the far right as a way to explain Trump's ineffectiveness during his first term. As Vought saw it, the main job of the OMB was to "tame the bureaucracy" and "bring them to heel to do what the president is telling them to do."

Perhaps by design, many of the budget office's career staffers felt like they'd stepped into the Twilight Zone. "OMB is an unusual part of the White House in that the career people really believe themselves to be loyal to the civil service—that they are there to serve whatever administration is in place, but that their highest loyalty is to good process," says Sharon Block, who worked at the OMB under Biden and is now a Harvard Law School professor. "They would never say we shouldn't do something because it's bad policy. They would say we shouldn't do it because it's not going to work." Vought's approach, in the face of this resistance, was basically to ignore it. "They were willing to flagrantly misread the law," says Kogan, the other former Biden appointee. "That's what Trump's OMB was."

In Vought's telling, he wasn't misreading the law; he was thinking creatively to find a legal basis to help Trump achieve his goals. In other words, he was doing exactly what you'd expect of a loyal political appointee. Vought's signature achievement involved overcoming the refusal of congressional Democrats to back Trump's plans to spend billions of dollars on the construction of new fencing along the US-Mexico border. The dispute led to a government shutdown starting in late 2018, which ended with Trump giving up his demand for wall funding. Vought found more than $3 billion in funding anyway, by encouraging Trump to declare a state of emergency and then dipping into an emergency Department of Defense construction budget. Vought later complained that career officials had repeatedly attempted to block his maneuver as potentially illegal. "I must have had, at least three times, someone relitigate that decision," Vought told Carlson, complaining that career staff repeatedly suggested that the OMB should oppose the move. Vought's response: "Guys, the decision has been made. Execute the decision."

As a legal matter, career staffers had a point. Federal courts almost immediately blocked the funds, though the Supreme Court later allowed construction to proceed, and the success only hardened Vought's view of executive authority. Later that year he temporarily withheld hundreds of millions of dollars in funding, appropriated by Congress, for aid to Ukraine. For Vought the decision was simple; he was following Trump's wishes. "I had been personally told, 'Look, I want the money cut off until we can figure out where it's going,' " Vought told Carlson. "And we got the money cut off."

It was an odd account of the episode, partly because the decision to cut off funds to Ukraine, shortly after a call in which Trump seemed to make military aid contingent on an investigation of Hunter Biden, turned out to be politically disastrous and led to the president's impeachment. (He was acquitted by the Senate.) Beyond the allegation of a quid pro quo was the question of whether a president could simply cut off money that Congress had appropriated. The Government Accountability Office would later agree with the career officials who'd said the OMB was breaking the law by withholding funds. In Vought's telling, though, this was all evidence of a deep state hell-bent on disobeying anyone it disagreed with. "Why wouldn't you just fire the people who disobey?" Carlson asked during the 2024 interview.

Vought nodded gravely. "You've got to know how to fire them."

After Jan. 6, many senior administration officials either resigned or tried to put distance between themselves and Trump. Vought stayed at the White House until the very end, then immediately launched his own think tank dedicated to vigorously pushing back. The Center for Renewing America, Vought wrote in an essay for *The Federalist* in January 2021, would sustain what he called "the counter assault" by linking Trumpism with Christian values.

“We don’t have the time to fiddle at the edges”

The idea that Musk could be the linchpin for Vought’s counterassault seemed outrageous even a few months ago to most people, though not to Vought’s allies. The day after Trump told a meeting of the Economic Club of New York he was creating a government efficiency commission and had put Musk in charge, a longtime Vought aide weighed in with a procedural suggestion.

“Impound, baby, impound!” wrote Mark Paoletta in an X post that tagged Musk. Paoletta, who served as the OMB general counsel under Vought (and has since returned to that post), was referring to the idea of impoundment, whereby a president declines to spend money that Congress has appropriated. He suggested Musk could use the tactic “as a tool” to “find savings.” Vought’s think tank had published numerous papers suggesting just such an approach, one of which Paoletta included in his message to Musk. In the weeks that followed, Musk repeatedly brought up the idea of using DOGE to unilaterally withhold funds and mentioned impoundment in a *Wall Street Journal* opinion piece in November 2024.

There was a wrinkle to this–namely that impoundment is more or less illegal, even under a narrow interpretation of the Constitution favored by Vought and Paoletta. That’s because in 1974, after President Richard Nixon refused to implement the Clean Water Act, Congress passed a law essentially barring presidents from using the tactic in most cases. (Vought acknowledged this during his confirmation hearing in February, though he also noted that Trump believes the 1974 law is unconstitutional.) A related legal problem is that most of the government departments Musk has sought to cut were established by Congress–including the CFPB and USAID–meaning many of DOGE’s actions could be seen as violating not only the Impoundment Control Act of 1974 but also whatever law created the agency in question.

That’s been enough to blunt much of what Musk has sought to do. Over the past two months, federal judges have blocked attempts to lay off probationary employees, collect Social Security Administration records and access the Treasury Department’s payment system, among other things. (Some of the court orders, including ones involving the payment system and some of the layoffs, have been reversed on appeal; in early April an appeals court lifted an injunction that had stopped Musk from playing a role in USAID.) All the cases are ongoing, and Musk’s public statements feature prominently in many of them. In the case of Vought’s actions at the CFPB, Musk’s comments seemed to be an important factor in undermining the government’s case.

On March 28, Amy Berman Jackson, an Obama-appointed district court judge, issued a preliminary injunction reinstating fired employees and preventing Vought from making further cuts to the CFPB. Jackson’s 112-page opinion opened by quoting from Musk’s post with the tombstone emoji. “There is no mystery about what is going on,” she wrote, describing “a hurried effort to dismantle and disable the agency entirely” under the guise of cutting costs. She noted that Vought’s actions were “taken in complete disregard for the decision Congress made 15 years ago, which was spurred by the devastating financial crisis of 2008 and embodied in the United States Code, that the agency must exist and that it must perform specific functions to protect the borrowing public.” Administration lawyers are appealing.

It’s possible that Jackson’s ruling will prove a temporary setback to Vought and that DOGE’s work so far will ultimately serve as a prelude to even more dramatic cost-cutting. In Project 2025, Vought suggested that the OMB should give political appointees control over how funding is apportioned to federal agencies. The apportionment process was originally intended to make sure agencies don’t spend money too fast and have to come back to Congress for more. Vought argued that it should also be used to cut wasteful spending “and ensure consistency with the President’s agenda.”

Based on this, Kogan says Vought could order political appointees to cut a set amount of funding from an agency’s budget based on a finding from DOGE or even just one of Musk’s social media posts. Such a move would seem to be illegal under the Impoundment Control Act. In 2022, partly in response to Vought’s role in the freezing of Ukraine funding, Congress passed a law requiring OMB to disclose its apportionments on a public website. But in late March, that website went offline without explanation. “What they’re doing is illegally hiding the ball,” Kogan says. The website takedown is the subject of yet another lawsuit, filed on April 8 by a left-leaning watchdog group.

Vought declined to comment. A person familiar with his thinking says that Vought sees Musk as a “force multiplier” and that DOGE’s actions so far–such as the cancellation of government contracts, the mass layoffs, the seizures of buildings from agencies–don’t amount to illegal impoundment under the Nixon-era law. At his confirmation hearing in early April, Trump’s nominee for OMB deputy director, Eric Ueland, told a Senate committee that Vought intends to formally ask Congress to approve at least some of the budget cuts via what’s known as a rescission package.

For now, it’s not clear how much cost-cutting Musk has actually achieved or how lasting Vought’s efforts to traumatize the federal workforce will prove to be. Farman says she and her colleagues are resolved not to quit, to not give in to what she sees as Vought’s deliberate effort to discourage them. On the other hand, she’s discouraged. Vought hasn’t been able to fire her or the other members of her union, but he’s effectively paralyzed the CFPB. Many of the agency’s cases against financial institutions accused of defrauding customers have already been dropped, with no real prospect of ever being reopened.

Meanwhile, the CFPB, like much of the federal government under Trump, exists in a sort of limbo, officially open for business but not really working. Even with the win in court, “it’s hard to imagine how we could get back to the status quo,” Farman says. “Things are still broken.” Ⓑ —*With Gregory Korte and Joshua Green*

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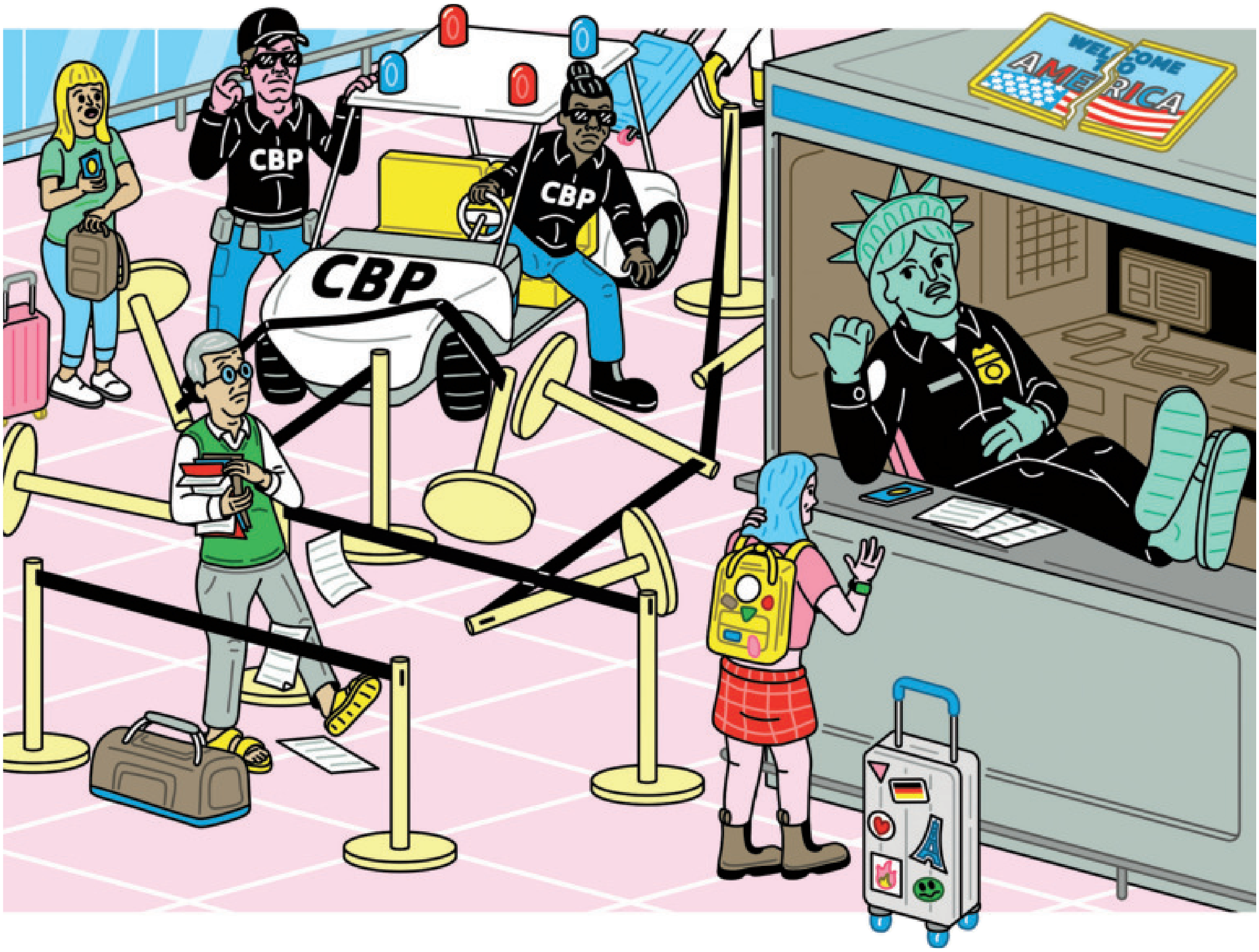


American Holiday in Handcuffs

● **By Michael Scott Moore**

Days into President Donald Trump's second term, a German woman crossing into America from Mexico was held by US Immigration and Customs Enforcement for more than a month. A few weeks later, a Canadian actress was kept for 12 days in detention centers on the southern border after bureaucratic troubles over a work visa. A French scientist on his way to an astronomy conference was detained at the airport in Houston for a day and ordered to return home.

Friction at the US border, especially disagreements over paperwork, isn't strange on its own, say overseas diplomats. But the harshness and length of the detentions in the brief time since Trump returned to Washington are bizarre, they say. So are the headlines, which the new administration either doesn't mind or has been unable to control. "The border agencies are under new orders, so they're a bit stricter," says one European consular official who asked not to be named. "But it does seem as if the American government wants to send a warning."

A warning about what? US Customs and Border Protection says a reduction in illegal crossings has freed up its law enforcement officers to do more "vetting" at the border. "Lawful travelers have nothing to fear from these measures," says Hilton Beckham, assistant commissioner for public affairs at CBP. "However, those intending to enter the US with fraudulent purposes or malicious intent—don't even try."

The heightened scrutiny means everyday tourists, conference attendees and business travelers—including those hailing from traditional US allies—are getting caught in the crosshairs. As anecdotes of hostility at the border are reported in media around the world, early signs point to a coming slump in international visitors to the US.

Canadian flight reservations to the US through September are down a ▶

■ ILLUSTRATION BY JAMES CLAPHAM FOR BLOOMBERG BUSINESSWEEK

◀ staggering 70% from the same period last year, according to a report by OAG Aviation Worldwide. The decline may also reflect Canadian boycotts of American products in the wake of Trump's tariff threats and widespread outrage at his suggestion that Canada should become the 51st state. Sébastien Bazin, chief executive officer of French hotel group Accor SA—whose dozens of brands include Fairmont and Sofitel—told Bloomberg Television that European bookings to the US this summer are down 25%, surmising one reason is "bad buzz" from the border detentions.

Adam Sacks, president of Tourism Economics, had expected things to return to business as usual for international arrivals this year after a lingering Covid-19 slump. Now he says travel won't normalize until 2029, which risks affecting the World Cup in 2026, co-hosted by the US, Mexico and Canada, and the Los Angeles Olympics in 2028. "That will essentially be an entire decade between pre-pandemic and full recovery," he says. The border detentions, paired with Trump's trade wars and his cozier relationship with Russia, may incentivize Europeans and Canadians, in particular, to travel elsewhere.

"All of those things are compounding one another and making the US somewhat of a global pariah when it comes to tourism," Sacks says. He predicts a less dramatic downturn for all of 2025—a 20% reduction from Canada, and 9.4% overall, compared with 2024. Yet even those changes would result in a $9 billion loss in visitor spending, he says. In 2019 visitors spent $20 billion more in the US than US residents spent abroad, according to the Bureau of Economic Analysis, so any hit to travel hurts the US trade balance too.

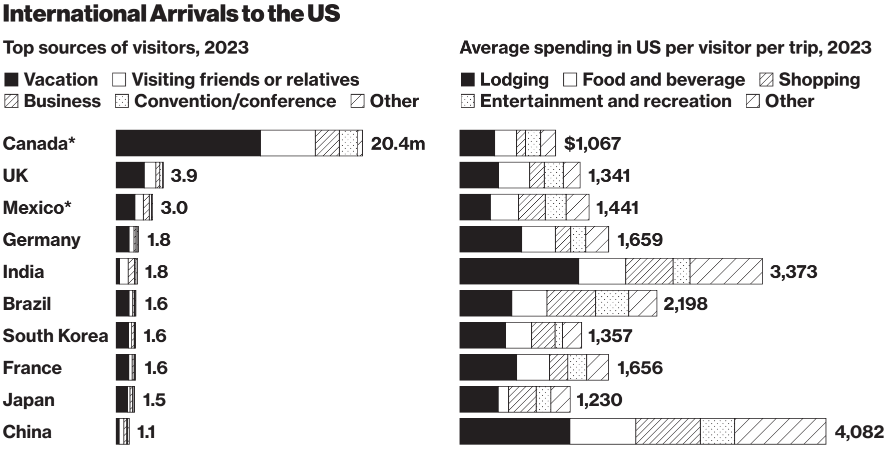
Although Brexit can't be directly compared to Trump's tactics, its lingering effects on travel may offer a clue to the longer-term impact for the US. When Britain left the European Union in 2020, shutting its doors to passport-free travel for other Europeans, tourism and business travel took a substantial hit. The pandemic depressed numbers further, and by some metrics the situation still hasn't fully normalized. Adjusted for inflation, VisitBritain forecasts visitors to the UK in 2025 will spend 93% of their 2019 level.

The travelers most likely to get flagged at the US border, says San Diego-based immigration lawyer Jacob Sapochnick, are the ones who—fairly or not—already have a note in the CBP system, usually logged by an agent during a previous visit. For instance, in the widely reported case of Jessica Brösche, a tattoo artist from Berlin detained for weeks on her way to a January art show in Los Angeles, border agents allegedly accused her of having worked off the books during a previous US visit. The French scientist, who hasn't been named, had sensitive information on his phone from Los Alamos National Laboratory, in violation of a nondisclosure agreement, a Department of Homeland Security spokeswoman, Tricia McLaughlin, said in a post on X.

Jasmine Mooney, the Canadian actress who was detained at a border crossing in Otay Mesa, California, saw firsthand how a series of minor bureaucratic snafus can build into something much bigger. Mooney had applied for a work visa in March 2024 to represent an American drink brand. Her application was challenged because some of her documents were missing the company's letterhead. She corrected the problem, she says, but in November a new agent raised different objections. "Little did I know that, as soon as you get one issue," she says, "it stays on your record, and that issue literally snowballed."

In March 2025, on her lawyer's advice, Mooney restarted her application at Otay Mesa, and this time an agent said she was no longer eligible for the work visa. When she sat down, dejected, and tried to book a flight back to Vancouver, she says she was taken to a room, patted down, handcuffed, stripped of her belongings, denied a phone call and delivered to a cold, fluorescent-lit cell. "It felt like I was kidnapped," Mooney, 35, says. "I've had so many lawyers reach out to me, and they're like, 'We've never seen what's happening at the borders before.'" After three days, she was booked into a "real jail," she says—the Otay Mesa Detention Center, not far from the border crossing station of the same name—and finally transferred to ICE detention in Arizona. Mooney spent nearly two weeks behind bars.

A lingering question is whether stricter enforcement of relatively minor crimes at the border will serve America as a whole. Sapochnick, the San Diego lawyer, sees little advantage to anyone but President Trump. "The benefit is only to one person," he says. "It's essentially a message. He can say, 'I told you what I was going to do, and now I'm doing it. Take me seriously.'" Ⓑ


International Arrivals to the US

The Race to Bring F1 Back to Africa

● By Loni Prinsloo and Rivaldo Jantjies

Bob Hartslief used to own the Kyalami racetrack in Johannesburg, the venue for a Formula One Grand Prix in Africa more than 30 years ago. F1 has since morphed from a niche sport mostly popular with Europeans into a global phenomenon and a very big business. Liberty Media Corp. purchased the Formula One Group, the company behind the auto racing series, for $4.4 billion in 2017. In 2024, F1 revenue crossed $3.4 billion, and the races drew 1.6 billion TV viewers. Brad Pitt will help further amplify the F1 brand when he stars as a driver in a big-budget movie—titled simply *F1*—premiering this June. The series' broadcast deal with ESPN, worth about $85 million a year and set to expire soon, is drawing interest from Amazon.com, Apple and Netflix.

Today, Africa is the only populated continent not on the Grand Prix circuit, a glaring omission for a global sport that recently added races in Qatar and Azerbaijan. Hartslief, 60, is part of a big effort to change that. He's one of several African bidders vying to win the next available license. The cast of characters includes a Porsche executive, a winemaker, a street racing promoter, an Austrian driver and a wartime president. If F1 returns to the continent, South Africa is seen as a strong contender, largely because of its lead on infrastructure, says a person familiar with the deliberations who asked not to be identified discussing private matters. Aspiring hosts in the country view the sport's possible return as a way to immediately attract tourists, spur growth and showcase South Africa's progress since the end of apartheid.

Building an acceptable racetrack is just a first step. The series runs only 24 races a year and charges each host country a licensing fee of as much as $50 million. The South African government has held talks with major sponsors to pay the fee. F1 also requires venues to accommodate seating for 125,000 spectators and provide an adequate supply of hotel rooms nearby, according to documents viewed by *Bloomberg Businessweek*. It has a detailed list of further preconditions, including proximity to an international airport, public-transit links and services such as on-site catering and VIP lounges. Finally, F1 must be confident hosts can handle traffic, police and safety for world-famous drivers. "I mean, can you imagine the security you'd have to have around these celebrities now?" Hartslief asks.

Hartslief is looking to build a complex in Cape Town, about 890 miles from his former track in Kyalami. For his proposed site, he's drawn plans for developments that can mint money year-round, including an amphitheater and luxury apartments. He imagines that wealthy fans might live near the track one day and take private spins when races aren't scheduled. "They pay, like, a million dollars, and they get a condominium, and they park their Ferrari underneath it," he says. He says he's shored up investment from an American company, Boundless Racing, and may also lean on his contacts in the clubby world of F1. During an interview with *Businessweek*, he took a call from Nelson Piquet, the famed former driver from Brazil, whose daughter is the partner of Max Verstappen, the current F1 champ.

The official list of Grand Prix 2027 bidders is not public, but the bidding has drawn suitors from across Africa. Rwandan President Paul Kagame has confirmed his interest and recruited Austrian former F1 driver Alexander Wurz to design a new track, according to the BBC. The Fédération Internationale de l'Automobile, the sport's governing body, held its latest awards ceremony in Rwanda, but the country is locked in a deadly conflict with Congo, which could reduce its F1 chances, says the person familiar with the deliberations. The BBC also reported that Morocco, a longtime F1 host before 1960, is interested as well. An F1 spokesperson declined to comment.

South Africa lost its status as a regular host of F1 races four decades ago because of apartheid sanctions. In 2008, Lewis Hamilton, the Ferrari driver and F1 megastar, made a promise to Nelson Mandela that he'd bring the sport back to the country. "No one gives anything to Africa," the driver said at the Dutch Grand Prix last year.

South Africa has already proved it can handle a global event. It's the only African nation to have hosted a World Cup, in 2010. In the last five years, South Africa's racing fanatics and tycoons have been laying the groundwork for an F1 return. An F1 fan festival planned for late March 2020, outside ▶

The Formula One Grand Prix at Kyalami, in South Africa, in 1971

■ ILLUSTRATION BY JAMES CLAPHAM FOR BLOOMBERG BUSINESSWEEK ■ F1: DAVID PHIPPS/SUTTON IMAGES/GETTY IMAGES ■ *CANADA VISITORS INCLUDE TRAVELERS BY AIR AND THOSE BY LAND STAYING OVERNIGHT; CANADA SPENDING IS FOR TRAVELERS BY AIR. TOTAL VISITORS FROM MEXICO INCLUDE VISITORS TRAVELING BY AIR ONLY. DATA: US INTERNATIONAL TRADE ADMINISTRATION

Amlay along the route of his proposed Formula One track in Cape Town; Hartslief on his farm in Parys, South Africa

◀ Johannesburg, was scuttled during the Covid-19 pandemic. Two years later, Warren Scheckter, a promoter and nephew of Africa's only F1 champion, Jody Scheckter, shared plans to secure Kyalami as an F1 circuit venue, though talks fell apart. Toby Venter, the chief executive officer of Porsche South Africa and Kyalami's current owner, intends to rent out the track to the winning bidder; one candidate is Tom Pearson-Adams, a local entertainment executive, according to two people familiar with the deal who asked not to be identified discussing the private arrangement.

There's even more action in Cape Town. Igshaan Amlay, an avid local street racing promoter, hired Hermann Tilke, a German race circuit design company, to repurpose Cape Town's World Cup stadium, which offers spectators a view of Table Mountain, the dramatic landmark that soars above the city. Amlay wants to re-create the vibe of Monaco, the wealthy principality on the French Riviera that regularly hosts the F1 Grand Prix. "Our location is a world-class destination and attracts thousands of international tourists keen to get a piece of what we call the African Riviera," Amlay says.

MK Malefane is looking at Cape Town too. A former aide to the late politician Winnie Mandela, he's eyeing a waterfront location outside the city center near an MSC Cruises terminal, which, he notes, could be used to park cruise ships that can house F1 guests. (That MSC Cruises is an F1 sponsor, he adds, doesn't hurt.) Malefane wants to convert a military base into a commercial airport, a convenient spot for landing "private jets, charter planes, helicopters and superyachts," he says. He's lining up investors from the US and the Middle East to raise the $1 billion he estimates is needed for the project. He's also planning to court Johann Rupert, a South African billionaire whose family Malefane says he knows through another, nonracing venture, a forthcoming wine brand called African Renaissance.

Gayton McKenzie, South Africa's minister for sports, arts and culture, has been a boisterous supporter of F1's return, saying he will have "failed" at his job if it doesn't. "Formula One is coming by fire or by force," he told Bloomberg News in January. But McKenzie's government is locked in an impasse over its budget, which could hinder loftier plans.

As Hartslief waits for the results of the bidding, expected in May, he spends most of his time on his farm outside Johannesburg, where he raises giraffes, zebras and other large animals for tourist destinations. He used to breed cheetahs, a process that required him to arrange a fight between two males before one would mate and then protect the fragile cubs. After eight strenuous years, Hartslief gave up on them. "Bringing Formula One back to Africa is about as easy as breeding cheetahs," he says. "As in, it's extremely difficult." Ⓑ

■ AMLAY: PHOTOGRAPH BY TOMMY TRENCHARD FOR BLOOMBERG BUSINESSWEEK. HARTSLIEF: PHOTOGRAPH BY GULSHAN KHAN FOR BLOOMBERG BUSINESSWEEK ■ PHOTOS: COURTESY COMPANIES

● The Right Stuff

● By the Pursuits editors

Graduation gifts for uncertain times

◀ Silence the Noise

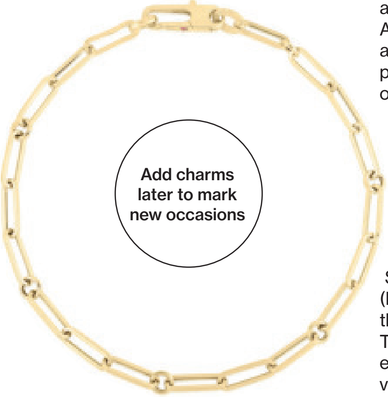
McLaren's Formula 1 Team x Loop Switch 2 earplugs were developed to protect the hearing of the team's winning drivers, engineers and crew. With three precise volume modes and four interchangeable ear tip sizes, they come in a sturdy carrying case in McLaren's signature colors. These special-edition $65 plugs are robust enough for the roaring engines of F1 but cool enough for the club…or wherever life takes your grad after college.

▶ Keepsake Time

A watch is an excellent way to mark a milestone. Nomos Glashütte makes significant timepieces for a relatively modest price, and the German brand's newest line of Club Sport Neomatik Worldtimers ($4,720) is a handy tool for a wandering young grad. The 40mm steel watch comes in six bright color combos and shows the time in 24 cities around the globe. Meanwhile, it keeps track of home time on a 24-hour subdial with a day-night indicator, so they'll always know when to call.

▼ A Link to the Moment

Send them out into the world in style with a gold link bracelet from Italian jeweler Roberto Coin, the undisputed king of the chain. This $930 paperclip-style bracelet is both an ideal starting point for an arm stack and a sly wink to their just-completed studies.



Add charms later to mark new occasions

▶ Music Anytime, Anywhere

Expose a typical Bluetooth speaker to saltwater and sand, and the music will quickly stop. Not so with the $250 Turtlebox Ranger. Built for rugged use, the waterproof Ranger is also crushproof with a secure magnetic side mount. Although it's just 8 inches high and 3 inches in diameter, it pumps out up to 105 decibels of sound.

▶ Never Let Them Get to 0%

Help untangle at least one knot in their next life phase with Counterpart's $44 high-speed USB-C charger, crafted from silicon and eco-friendly post-consumer plastic. It's palm-size yet powerful enough to juice up a MacBook Air, with a 4-foot-long retractable cord to keep things tidy, and five earthy hues to match their style.

▼ Crisis Management

Founded in 1965 to teach outdoor skills and hone leadership instincts, the National Outdoor Leadership School runs several programs in beautiful places (Bend, Oregon, and Boone, North Carolina, for example) that certify students as Wilderness First Responders. Think: how to splint a broken bone, manage a medical evacuation and otherwise handle an emergency. Tuition varies (usually about $950), and the course will leave them feeling more prepared and confident in a crisis.

▼ Hit the Road

Best known for its nearly indestructible coolers, Yeti recently entered the bag business. The $225 22L Ranchero backpack is sleek enough for everyday use but tricked out for weekend adventure. Designed to stay upright when you set it down, it sports a dedicated laptop sleeve with external access and a water- and abrasion-resistant shell.

A full-length front zip means nothing gets lost at the bottom

▶ Best Face Forward

The three-head rotary razor on the $330 Philips i9000 Prestige Ultra shaver employs colored lights and a steady stream of motion and pressure analysis to guide users through their morning routine. An app tracks efficiency and purports to use AI, yet the one thing that truly matters is that users rave about the closeness of the shave.

▼ Avoid Overexposure

For the "future's so bright" optimists—or anyone who's careful about getting too much sun—Davek, maker of legendarily indestructible umbrellas, recently released a line of parasols. They're remarkably light at just 8 ounces, relatively affordable at $85 and guaranteed for life. Just because it's rough out there doesn't mean you can't help them plan for sunshine.

Roaring Vietnam Needs More Sand

● By Andy Lin and Spe Chen

When President Donald Trump launched his first trade war, in 2018, driving up the cost of goods from China, companies raced to relocate factories to Vietnam. The country's economy has boomed, with gross domestic product growth accelerating to 7% in 2024, the fastest in Southeast Asia. But the surging volume of incoming parts and outbound products has also left its transport system under strain.

To alleviate bottlenecks, the government is embarking on one of the largest infrastructure drives in its history, spending billions of dollars to expand highways and roads across the southernmost part of the country. These huge projects hinge on one key commodity: Cambodian sand.

Vietnam aims to complete more than 1,000 kilometers (621 miles) of highways in 2025—if Trump's new trade war doesn't derail things. But it's running low on sand, dredged from rivers and used to stabilize the ground for pavement. Sand mining in Vietnam has been under scrutiny after riverbank collapses destroyed homes. So the country approached Cambodia last year about importing huge volumes of the raw material instead.

Since then, Vinh Xuong, a quiet town on the Vietnamese side of the Mekong River, has been swarmed daily by hundreds of sand barges ranging in length from 18 meters to 80 meters—or about the length of three pro basketball courts. Imports of Cambodian sand grew almost threefold in 2023, then more than doubled in 2024, to about 28 million cubic meters.

Each barge of newly dredged sand increases the risk of building collapses in Cambodia. A study led by Christopher Hackney, a researcher of river geography in Southeast Asia, shows lowering the riverbed by as little as 2 meters can cause riverbanks to collapse; dredging pits in Cambodia often exceed 8 meters in depth. But importers see opportunity instead of danger. "If it pays," he says, "they'll bring the sand to Vietnam." Ⓑ

Adding Salt to The Battery Mix

● By Michelle Ma

The idea of making batteries from sodium has been around for centuries. In Jules Verne's 1870 novel, *Twenty Thousand Leagues Under the Sea*, Captain Nemo drives an electric submarine powered by salt. But while researchers have experimented for years with using the cheap, superabundant material for power storage, sodium-ion batteries could never match the energy density of other battery types, particularly lithium-based formulas. Now expanding energy needs and global trade tensions mean the long-overlooked technology is finally breaking through.

Born out of founder Colin Wessells' doctoral thesis in 2012, Natron Energy Inc. is among the few companies in the world that mass-produce sodium-ion batteries and is the only one doing it in the US. Its first plant, in Holland, Michigan, opened in April 2024 after Natron spent $40 million to retrofit a $300 million facility. It's set to produce 600 megawatts of batteries annually by the end of 2025, almost enough to power a city the size of San Diego. Natron is lining up funding for a $1.4 billion factory in Edgecombe County, North Carolina, that would increase its production capacity by roughly 40 times. Natron says that's needed to meet demand from its customers, particularly as artificial intelligence sucks up more energy. "Power demand for data centers is going to go through the roof," says Wendell Brooks, Natron's chief executive officer.

Drying an electrode roll in Natron's Holland plant

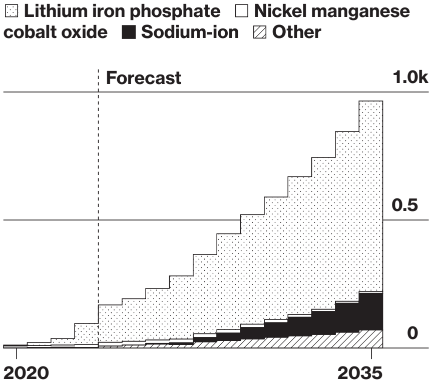
Generally speaking, sodium-ion batteries are cheaper to make and less combustible than their lithium-ion counterparts. They also pack less power into the same amount of space, which has been a disadvantage for products like electric vehicles and smartphones. But some of the fastest-growing areas of need for energy storage, including data centers, aren't especially sensitive to battery volume or weight, says Evelina Stoikou, BloombergNEF's head of battery technologies and supply chains. That makes products like Natron's more appealing: BNEF projects that sodium-ion batteries will account for 15% of the energy storage market by 2035, up from about 1% today.

Uncertainties around tariffs and the supply of materials needed to make lithium-ion batteries are also giving sodium a boost. China refines most of the world's lithium and produces most of its graphite, a component of lithium-ion batteries. If the country stops exporting graphite, or if the Trump administration continues to increase tariffs on it, lithium-ion battery producers would be gravely affected. Sodium-ion batteries are a way to circumvent that supply chain: They often use hard carbon, a far more abundant material similar to charcoal, for their electrodes.

Although Natron's batteries are currently at about cost parity with lithium-ion batteries, Brooks expects prices will be halved when its North Carolina facility reaches full capacity. Besides data centers, other industries Natron is targeting include oil and gas refining and military applications such as anti-drone and anti-missile systems, which also require short, intense bursts of power and the ability to recharge rapidly. The company is already shipping products to clients in all these sectors at a proof-of-concept scale and expects to distribute commercially by the end of the second quarter. Sodium-ion batteries are starting to play a role in the Chinese EV market as well, where carmakers are focusing on consumers who don't mind less range if it comes with a cheaper price tag.

Sodium-Ion Batteries Find Their Place

Stationary energy storage technology mix, in gigawatt-hours



That doesn't mean the technology will become as ubiquitous as lithium. Minglong He, principal scientist for the ABB Corporate Research Center in Switzerland, envisions a future in which a range of battery formulas address different use cases. He, whose organization has invested in sodium-ion battery startups including Natron, says, "I don't think there's one battery technology, one cell chemistry, for all applications." Ⓑ

Airline Food Is No Longer a Punchline

● By Brooke Sutherland and Mary Schlangenstein

By all accounts, airlines have no business serving cheeseburgers on flights. Airplane food is essentially glorified leftovers: Whatever is served at 35,000 feet gets cooked ahead of time, chilled to a safe temperature and then reheated in the air—a bit like trying to re-create last night's restaurant meal for today's dinner. The process is full of potential pitfalls, and to deliver a burger, you have to avoid all of them: soggy bread, hockey-puck meat, bland taste, wilted lettuce.

A bun-toasting-and-buttering machine at Delta's flight kitchen in Atlanta

But Delta Air Lines Inc. went for it with the rollout of burgers from Shake Shack Inc., offered to first-class passengers on longer domestic routes from several of its hubs starting in March after a Boston test run. It's proved so popular that burgers now account for almost 15% of the roughly 4,500 hot meals prepped every day at the company's flight kitchen in Atlanta. Only a few weeks into the expanded program, the on-ground facility is ordering a third bun-toasting-and-buttering machine to make sure it can keep up.

The Shake Shack partnership is the most visible example of airlines' push to capitalize on travelers' growing willingness to pay for premium options. Airline stocks have fallen this year on fears of a pullback in consumer spending, but that weakness is so far concentrated at the lower end of the income spectrum.

"No one is going to fly an airline because of the food they serve, but serving a good meal to a customer, especially in a premium cabin and especially with more people paying for it, can be a positive," says Henry Harteveldt, founder of Atmosphere Research Group.

On a recent Delta flight from Boston to Atlanta, the only giveaway that this was an in-flight burger was the lack of french fries—a dish most airlines are still trying to perfect. American Airlines Group Inc. uses a specially developed cardboard container with a slightly waxy interior and holes to create a more dynamic airflow that keeps fries crisp when they're reheated, says Sheri Whiteley, senior manager of onboard dining planning and development at American. Alaska Air Group Inc., Delta and United Airlines Holdings Inc. don't currently offer fries.

Whatever dishes airlines offer must go through a carefully orchestrated process—from sourcing ingredients to perfectly assembling each item on individual dining trays. Gategourmet, one of the main third-party in-flight caterers, keeps 17 varieties of lettuce and 82 types of cheese in stock at a facility near Boston's Logan Airport that serves a dozen international airlines. The kitchen uses an elaborate color-coding system and nips the corners off pans and cutting boards to keep halal and kosher ingredients separate. Delta relies on robots to help out at its Atlanta kitchen; their whirring arms grab trays, place dishes and deposit salt and pepper packets.

Every knife that gets used in a food preparation kitchen has to be carefully tracked so no one sneaks one into a meal. "There's a lot of time and effort and hard work that goes into getting food on an airplane," says Aaron McMillan, United's managing director of hospitality programs. "A lot of people take it for granted."

The explosion of air travel over the past few decades moved airlines to shrink galleys to make room for more seats, limiting food possibilities, says Jens Kuhlen, president for North America at Gategroup, the parent company of Gategourmet. These factors, combined with relentless pressure to boost the industry's margins, led to a commoditization of in-flight dining. It started to change when Asian, European and Middle Eastern airlines with a reputation for top-tier experiences began competing more directly with North American carriers, Kuhlen says. United now offers Magnolia Bakery pudding in first class, and Alaska Airlines treats its passengers to Salt & Straw ice cream.

The airlines are limited by the scale of their needs: Delta served 44 million meals globally last year; United did 52 million. It can also be challenging for outside partners to adapt to the unique demands of airplane food, says Todd Traynor-Corey, Alaska's vice president for guest products and experience.

Seafood is particularly tough. No one wants to sit next to someone eating reheated fish. Alaska neutralizes odors by marinating fish in miso- or citrus-based sauces, Traynor-Corey says. Steak is challenging too; it's hard to preserve a medium-rare finish after it's been reheated midair. This is why airlines focus on things like short ribs that keep their flavor more easily. In general the dry air that circulates in the cabin dulls taste buds.

And some things just don't work on airplanes. Alaska experimented with ice cream sandwiches, for instance, but ditched them because they turned into a melted mess. Another holy grail is avocado toast. There are ways to keep avocado from turning an unsightly brown—lemon or lime juice helps—but the dish can't come preassembled, as there's no way to reheat the toast without also warming up the avocado. With burgers accomplished, Ash Dhokte, Delta's vice president for onboard services, says this is the next dish he wants the airline to master. Ⓑ

■ PREVIOUS SPREAD: PHOTOGRAPH BY THOMAS CRISTOFOLETTI FOR BLOOMBERG BUSINESSWEEK. THIS PAGE: PHOTOGRAPH BY MAXWELL JOHNSON FOR BLOOMBERG BUSINESSWEEK
■ DATA: BLOOMBERGNEF ■ PHOTOGRAPH BY BAILEY GARROT FOR BLOOMBERG BUSINESSWEEK

A Walk With

By Brent Crane

■ PHOTOGRAPH BY CLAUDIA GORI FOR BLOOMBERG BUSINESSWEEK

Brunello Cucinelli's plain white tees cost $500. Just don't call them quiet

Brunello Cucinelli, the Italian fashion designer and founder of the high-end clothing brand with his name, has a peculiar distaste for "quiet luxury." The industry term, denoting an understated refinement, is often applied to his wallet-wrecking duds. "Am I quiet?" the 71-year-old billionaire asks, bounding out of his chair during a recent interview in his large, white office. He points to his burgundy herringbone blazer and tugs at his ivory corduroys. "When you wake up in the morning, do you really think, 'Today I want to be quiet?'" He shakes his head. "No! You want to be chic. You want to be sought after. Quiet luxury does not exist."

Cucinelli lives on a hill in Solomeo, a medieval village in Umbria. Since 1985 he's based his now-3,000-employee company there, on a pristine campus in a green valley peppered with classical-looking statues. The median employee age is 37. While many luxury apparel brands have been struggling, Cucinelli has grown. Last year revenue was up 12%, hitting close to $1.4 billion. (Gucci's, in contrast, fell by almost a quarter.) The public company has forecast 10% annual growth through 2026. In October, Cucinelli received *Women's Wear Daily*'s prestigious John B. Fairchild Honor, a lifetime achievement award whose past recipients include Ralph Lauren and Tommy Hilfiger.

Despite his objections, industry observers attribute Cucinelli's success to the growing appeal of quiet luxury among the wealthy. "Luxury brands with a more discreet, less logo-driven aesthetic have been outperforming," says Jelena Sokolova, an analyst at researcher Morningstar. The HBO series *Succession* started the trend, she says. (Co-star Alan Ruck wore a Brunello Cucinelli suit to the show's final season premiere.) In the series, which chronicled familial dysfunction among the modern 1 Percent, the main characters sneered at flashy opulence as tacky tells of the nouveau riche. Cucinelli seems to share this prejudice. "I want our company to be exclusive," he says. "Tomorrow we should be less known than we are today."

By way of demonstration, he unlatches his watch, a $30,000-plus Jaeger-LeCoultre Master Ultra Thin Perpetual with a cream leather strap. He takes it in one hand and a water bottle in the other. "Do I want an exclusive, high-quality, artisanal product?" he asks, pressing the gorgeous watch against his sleeve. "Or do I want a product that gets distributed everywhere in the world?" He wags the bottle and frowns.

Unlike Gucci or Louis Vuitton, whose sales and storefronts dwarf his, flashy logos are verboten in Cucinelli's catalog–it's an IYKYK thing. And those who know are well known. In business, his most prominent customer these days is probably Mark Zuckerberg, who favors his gray T-shirts. Other fans include Daniel Craig, Prince William, J-Lo, DiCaprio. Their photos pepper Cucinelli's office alongside framed images of people who didn't rep the brand, including Kafka, Gandhi and Confucius. The overall effect is a bit reminiscent of a college dorm.

In running his empire, Cucinelli has developed his own philosophy, called "humanistic capitalism." The gist: You should treat workers well. "We need to strike a healthy balance and live by the rules of nature," he says. "To respect those who work, to have equitable profit, equitable growth, and respect the world as it has been created by God."

Sixty-two percent of the company's products are made by hand; all are made in Italy. A handsome cafeteria churns out restaurant-quality meals with a menu that changes daily. "Lunchtime is serious business here," Cucinelli says. Some of the company's profits flow to his eponymous charitable fund, which supports cultural and environmental initiatives and worker well-being. When he was growing up in the Perugian countryside, riches were a distant prospect. His father was a farmer turned factory worker, and the abuse he suffered on the factory floor left a mark on his son. "My father was treated very badly," Cucinelli says. "He got humbled and offended. I didn't want to do that."

In 1978, after dropping out of an engineering program, Cucinelli became his own boss. Umbria was already famous for its cashmere, so he based his brand around that. Aesthetically, he was inspired by the bright colors of Benetton. Armed with a loan equal to about $2,000, he first made only pullovers. Gradually, sales grew. As his bank account did too, Cucinelli began to make regular trips to New York, Los Angeles and other trendsetting hot spots. (To this day, he travels for three months a year.) He visited the glitziest hangouts, taking careful notes on haut monde attire. "If you don't keep up with the trends," he says, "you'll soon be closing your shops."

In 2000, Cucinelli moved on from pullovers to other items: pants, shirts, blazers, skirts, dresses. He toned down the bright colors. Now the brand is known for its muted grays, tans and creams. Its cashmere is sourced from goats in Mongolia and the Himalayas; pictures of the beasts adorn the company headquarters like mascots. Another major growth moment: a "very nice" *New Yorker* article published in 2010, he says, which boosted sales in America. Two years later, the company held a $197 million initial public offering.

Fashion trends are cyclical, and from 2012 to 2015, quiet luxury was booming. One reason, says Morningstar's Sokolova, was China's antigraft campaign, which vilified ostentatiousness in the No. 1 luxury market. The rich went incognito. "When things are not doing great, it's less socially acceptable to be flaunting wealth and brands," she says. In 2014, Cucinelli's sales in China grew 32%. (Even today, though, Asia represents about 27% of the roughly $7 billion company's business, versus 37% in North America.)

Like most other EU goods, Cucinelli's clothes are now facing the threat of Trump tariffs. Yet as the US economy flounders, quiet luxury may prove its staying power. Cucinelli's clientele tends to be rich enough to keep spending through downturns. And its share of returning customers is higher than at its competitors, Sokolova notes.

At one point, standing by a sunlit window, Cucinelli is bothered by something outside. "Excuse me," he says and rushes out the door. He returns with an assistant in tow. "There are so many nice flowers down there," he tells the other man, pointing at the landscapers below. "They shouldn't be cutting the grass. They'll cut the daisies." The assistant nods and hurries away. Cucinelli sits back down. "Look at the daisies," he says, gesturing at the window. "They're beautiful." Ⓑ

Live

GM's Mary Barra is trying to figure out how to sell electric cars in Trump's America

BY DAVID WELCH

Wire

The Ultium Cells factory outside Nashville spans five football fields and runs 24-7, cranking out 5,000 finished battery cells an hour. The site and a sister plant in Ohio are co-owned by General Motors Co. and South Korea's LG Energy Solution Ltd., and together they can make enough cells to build a new electric vehicle nearly every minute–most of them GM cars. Although the plants aren't near full capacity, they already produce more cells than Tesla Inc. does in North America.

Inside the factory, fewer than 250 workers on the day shift are watching computer screens or monitoring a network of chemical mixers, coating machines and drying ovens that brew the essential ingredients of a battery and slather the resulting slurry onto rolled-up metal sheets. The sheets are then cut and stuffed into pouches, which will serve as the battery cell, and are set to cure at about 140F (60C). Later, a system of shelves moving up, down and side to side stacks the cells, each long and slender like a giant envelope, on blue racks 40 feet high. In this rickhouse for high-tech spirits, the cells go through a sort of fermentation process known as finishing that lasts 10 days.

Once the cells are ready, they're loaded onto trucks and transported down the road to an assembly plant where GM used to build Saturns in the 1990s. Now it's all-electric Cadillacs alternating with gasoline-powered models on the line. In the battery assembly area, 12 employees tend to the 93 robots on the floor. There used to be 18 humans in this role, but GM figured out how to replace some of them, in part with cameras and artificial intelligence that can do quality checks. Josh Tavel, head of project engineering and manufacturing at GM, is proudly surveying the photos captured by those cameras on a monitor. "This plant is ridiculously automated," he says.

Production tilted in favor of EVs in March when the plant started making the new electric Cadillac Vistiq, which GM engineers call the "baby Escalade." As cars roll down the line, workers in bright orange and yellow vests install cables and hoses by hand. "If the market wants more EVs, we can make them," Tavel says.

This hive of activity was built to fulfill Mary Barra's great hope to electrify GM. After an entire career at the automaker–from inspecting fenders and hoods at the age of 18 to spending the last 11 years as chief executive officer–Barra has staked her legacy on EVs. Her bet has gotten riskier over the past year, first due to a slowdown in EV sales and then the return of Donald Trump and his tariff regime. Those factors encouraged other carmakers to hedge their bets on EVs by shifting more production back to gas cars or to hybrids. Barra has mostly stayed the course. She's hired Tesla veterans to make GM's battery capabilities more competitive with those of Elon Musk's company and surging upstarts from China, and she's taken steps to slash

A battery pack installation in a Cadillac Lyriq EV at the assembly plant in Tennessee

costs, working toward what the company calls its "low-cost EV architecture."

As part of those efforts, GM is breaking ground in Indiana on a new battery plant slated to open in 2027 and has made investments in US-based mines for lithium and other minerals with the goal of one day forming a nationwide ore-to-assembly supply chain similar to the one BYD Co. has in China. By the end of the year, GM will resurrect the Chevrolet Bolt, a budget compact starting around $30,000, joining a dozen other EV models already for sale at dealerships, including five family-friendly SUVs, two pickup trucks, two Hummers and the ultra-expensive Cadillac Escalade IQ (review on page 97). "We're about giving customers choice," says Barra. "Over the long term, we think EV demand will grow."

The more immediate challenge is figuring out how to sell an electric car in Trump's America. The president has vowed to wipe away major elements of Joe Biden's Inflation Reduction Act (IRA), such as one that gives consumers tax credits for new or leased EVs and another that pays automakers credits for building them. GM gets at least $800 million a year from this program—subsidies that were designed to chip away at the cost advantages of gas cars. The Trump administration is holding up $3 billion earmarked for public charging infrastructure. And on April 3, a 25% tariff went into effect on imports of assembled vehicles.

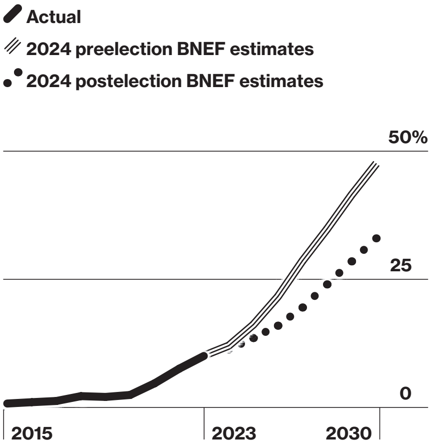
Barra at the White House with President Trump and other automotive executives in 2017

GM depends on a global supply chain, and Trump has been waging a trade war with nearly every single country. The two most affordable EVs in GM's current lineup, the $35,000 Chevy Equinox and larger Blazer, are manufactured in Mexico, and most of them are brought in over the border to be sold to Americans. GM is on the hook to pay the new tariff on the foreign parts in all cars that come across the northern or southern borders, a 25% tax on other components starting in May and 145% on the materials it ships in by boat from China. Trump's so-called reciprocal tariffs would've made things even worse, and his retreat on April 9, along with comments he made the following week about giving automakers a possible reprieve, gives GM executives and lobbyists hope that he could change his mind on car tariffs too. The duties that remain in place substantially raise the wholesale cost of automobiles and many other things. When the price of goods goes up and stocks go down, as is happening now, that leaves less disposable income for people to make big purchases and less profit for auto companies like GM, which needs to sell high-margin trucks and SUVs to cover losses on EVs.

On top of all that, Trump's rhetoric is just about the worst marketing EVs can get. In October he told the Detroit Economic Club that electric batteries make vehicles too heavy, don't offer enough range and overload the grid. He also stoked class warfare, suggesting automakers had raised the price of gas cars to fund their EV plans. (That's partly true.) "Kamala [Harris] gives rich people $7,500 tax breaks to buy luxury electric cars," he said. Since then the only EVs Trump has shown an interest in promoting are the electric cars that Musk makes.

Slowing Transition

Share of EVs in US passenger vehicle sales



With or without Trump's support, GM executives say electricity simply makes for a better car and represents the future of transportation. They drive faster, more smoothly and, as Barra points out, never require a trip to the gas station. The roadblocks for consumers, she says, are insufficient access to charging stations and, most important, the sticker price. Batteries are key to solving the cost equation, according to Barra. "There has to be more of a charging infrastructure. There has to be more choice at the lower price points. I think it will happen over time," she says. "Core battery technology will continue to get better."

GM developed what was essentially the world's first modern all-electric car in the '90s. At the time, Barra, a trained electrical engineer, was working as an executive assistant to GM's then-chairman, Jack Smith, and was on the company's fast track to management. GM's EV1 didn't last long enough to attend Barra's rise in the ranks. Although the car received ▶

■ PREVIOUS SPREAD: MACKENZIE STROH. THIS SPREAD: CADILLAC: PHOTOGRAPH BY JOSEPH ROSS FOR BLOOMBERG BUSINESSWEEK. BARRA: PABLO MARTINEZ MONSIVAIS/AP PHOTO ■ DATA: BLOOMBERGNEF

◀ rave reviews from drivers who could envision the technology's potential, the company ended up losing $1 billion on the project and pulled the plug in 2003. Tesla was founded that same year.

By the time Barra took over as CEO of GM in 2014, becoming the first woman in charge of an automobile company, she could sense that Tesla was becoming a serious threat. In 2018 she hatched a plan with Mark Reuss, now the company's president, to push harder into EVs by investing in the battery design that would become Ultium. The idea was to use the same battery cells and modules for every model of the company's EVs, all developed in-house. This was a big deal. With gas cars, GM builds a different combustion engine for each category of vehicle, at a cost of more than $2 billion apiece. With one system for every electric car, development of new EV models could be dramatically cheaper over time.

Government subsidies, such as the ones lawmakers would later bundle into Biden's IRA, didn't factor into the equation, Reuss says. "This whole business and strategy was planned without any IRA benefit," he says. He notes that other countries are still investing in clean transportation and mandating it, but acknowledges the difficulties in Washington. "The regulatory environment is not going to get better," he says, sitting in a conference room at GM's Global Technical Center north of Detroit. "Kicking the can down the road and hoping for different legislative and greenhouse gas rules happening is a pretty tough way to play the business."

If Barra is feeling contemplative, she'll tell you that electricity is the future. She considers it a corporate imperative. The Chinese government has lavished about $230 billion in subsidies on its domestic auto industry. Even if tariffs and import restrictions keep Chinese cars out of the US, BYD is eating away market share in Mexico and South America, which are both strong markets for GM. "We don't necessarily have a level playing field as we look at some of the competition globally," Barra says. "Give us a level playing field, and we're going to compete."

Futurism isn't really Barra's thing, though. Above all, she's a pragmatist. She recognizes EV sales growth in the US has been slowing at an alarming rate, from 50% in 2023 to 7% last year. Besides Tesla and Hyundai, no major automaker was as committed to selling EVs in the US as GM, and the rest all hit the brakes. Honda Motor says it remains committed to electrification but has abandoned a joint venture with GM to build affordable EVs; Ford Motor is retooling a planned EV assembly line in Canada to build gas pickup trucks; Toyota Motor is more focused on hybrids.

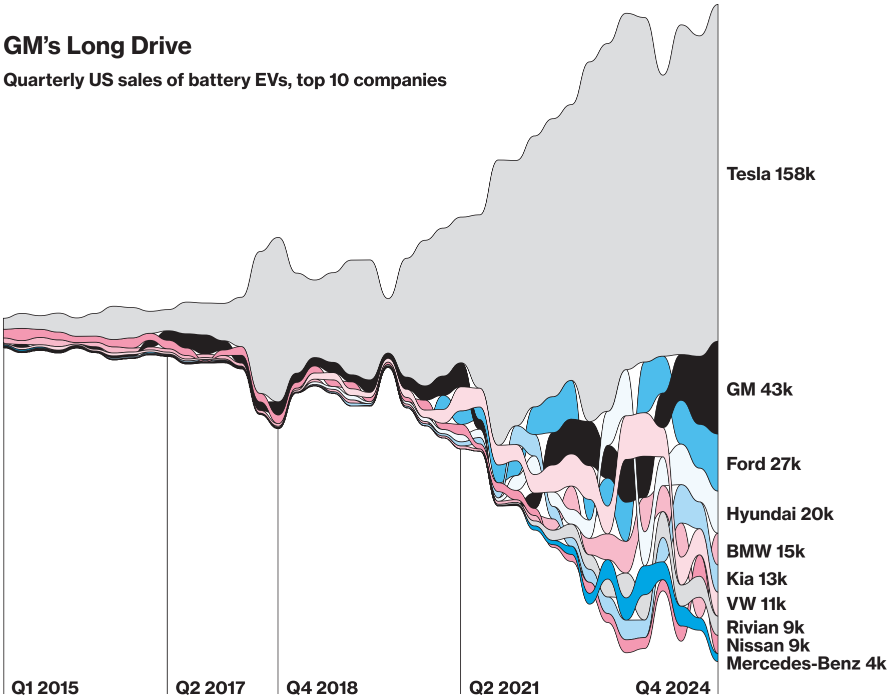
Meanwhile, GM is eight years and $35 billion into its EV transition. Barra has taken in whatever slack she could in GM's EV timeline. GM canceled a Buick EV, shelved concepts for a midsize electric pickup and a Corvette-inspired crossover SUV, postponed until next year the opening of a factory in suburban Detroit that will increase production of electric pickups, and sold its stake in a planned Ultium battery plant in Lansing, Michigan, to LG. But GM is in too deep to make a habit of such cutbacks.

Barra knows she has to make this work, regardless of the changing political winds in Washington. "When you look at what General Motors has been able to do, whether it's managing through Covid, managing through the semiconductor shortage," she says, "we are incredibly well-positioned to respond to whatever happens."

To help plead her case to Trump on tariffs and other matters, GM has hired consultants Arthur Schwartz, a political adviser to Donald Trump Jr. and JD Vance, and Jeff Miller, who advised former House Speaker Kevin McCarthy and fundraised for Trump's 2024 campaign, say people familiar with the matter who asked not to be named because the information isn't public.

Barra has had several of her own meetings with the president, in person and by phone—sometimes joined by top executives from Ford or Stellantis NV, the multinational owner of Chrysler and Jeep. Of the 2.7 million cars GM sells in the US annually, 1.2 million are imported. The tariffs are a huge problem for the company, but Barra and her team aren't particularly eager to talk about them. "We look at tariffs, we look at EV regulations, we look at the market changes and just say, you know, there are challenges that we've got to figure out," says Paul Jacobson, the company's chief financial officer.

Trump hasn't made his move on EV tax credits yet, but it's probably coming soon. John Barrasso, a senator from Wyoming, proposed an immediate repeal



GM's Long Drive

Quarterly US sales of battery EVs, top 10 companies

of the tax credits with a bill called the Eliminating Lavish Incentives to Electric Vehicles Act (sassily nicknamed the Elite Vehicles Act). He has 18 Republican co-sponsors, but only one, Mike Braun of Indiana, has EV projects in his state.

GM's lobbying staff has been spending a lot of time with GOP lawmakers. It's pressed Congress members to phase out EV tax credits over several years instead of all at once. More surprising, GM has lobbied to restrict or eliminate credits for Americans who lease, say people familiar with the conversations who asked not to be identified because the meetings were private. Whereas credits for eligible purchases of EVs apply only to cars assembled in North America, leases have no such limits. Undoing this loophole would hurt GM, but it'd harm the company's foreign competitors even more.

The automakers need only three Republicans in the House to vote the way they want to preserve some version of the tax credits. It's no coincidence that automakers put a lot of their EV plants in red states. Georgia, Kentucky, South Carolina and Tennessee each employ at least 13,000 workers in the battery and vehicle supply chain, according to data from EV Politics Project, a right-leaning think tank.

Bernie Moreno, a Republican senator from Ohio, has met with Barra or her staff on numerous occasions. GM's first Ultium plant is in northeastern Ohio, and Honda is building a battery plant near Columbus. "We have engaged with GM more than any other car company," Moreno says. "We have to be thoughtful and get EV subsidies wound down in an orderly way. How do you do it in a way that's the least destructive?"

When Barra really wants to make an impression, she arranges a tour of the design studio at GM's technical center in Warren, Michigan. It's Mike Simcoe's job to host the VIP tours.

Simcoe, a tall, stately Aussie with a Lenin-esque beard, is GM's senior vice president for global design. His studio has a section for each GM brand where designers dream up and craft their vehicle concepts. Here, computer renderings become clay or foam models, which are then sculpted by robotic arms and, once painted, could be mistaken for real cars. As Simcoe ambles by, robots are shaving off bits of brick-red clay from a model that might be the basis for a future SUV.

Tavel at an assembly line where workers prepare a power electronics unit for a Cadillac EV

■ PHOTOGRAPH BY JOSEPH ROSS FOR BLOOMBERG BUSINESSWEEK ■ DATA: BLOOMBERGNEF. TOP COMPANIES AS DETERMINED BY TOTAL US BATTERY EV SALES, 2015-24

Kurt Kelty got the tour in 2024. GM had made several attempts over the years to hire Kelty, a former senior director of battery technology at Tesla who helped set up the automaker's famed Gigafactory in Nevada. He'd rebuffed the company's job offers, saying GM wasn't serious about EVs and was only putting out some models to meet regulatory requirements. "I responded with all the reasons why I don't want to join GM," he recalls. "I thought it was all smoke and mirrors."

After Tesla, Kelty worked at a pair of startups and hoped to turn GM into a customer of his company's silicon anode battery components. Instead, he got an invitation to meet Simcoe, who showed him a cornucopia of EV models in the design studio, including low-cost concept cars and a GMC crossover.

What really turned Kelty's head, Simcoe says, was an internal design study of GM's low-cost EV architecture. It's a foundation containing all the battery and cost improvements GM is working on for future models. It's the key to creating smaller and cheaper EVs, says Simcoe, who's set to retire in July after 42 years at GM. "We haven't slowed down at all," he says. "You can't afford to."

Walking past more car models, Simcoe stops at a concept called the Funbolt, a small, sporty-looking crossover. Is it the yet-to-be-unveiled Bolt that GM has said it will bring out this year? Simcoe demurs and moves the tour along. The next stop is a foam model of a small white sports car with red racing stripes running up the hood. It looks as if it could be an electric replacement for the now-defunct Camaro. "Kurt fell in love with that one," Simcoe says. "He was giddy."

Simcoe's design tour really did seal the deal, Kelty agrees. He joined in February 2024 as vice president for battery, propulsion and sustainability, sufficiently convinced GM had gotten the religion of clean cars.

His success at GM is largely measured in cost reductions. GM slashed the cost of its battery packs last year, Kelty says, mainly because of increased sales volume and improved production yields at the cell plants. Today, the pack for a Chevy Blazer or Equinox EV costs about $13,000, according to research firm CRU Group. That's about five times ▶

Racks of Ultium battery cells awaiting pickup

“We don’t necessarily have a level playing field as we look at some of the competition globally”

◀ more than a gasoline engine and transmission. GM’s target is to knock off $10,000 from some of its EVs, but Kelty has a long way to go before they can match their gas counterparts.

Kelty’s longer-term solution is to take a different approach to batteries. Currently GM and LG use a mix of lithium, nickel, manganese and aluminum in their Ultium cells. The cells are stacked and stuffed into boxes known as modules. Two dozen cells make a module; 10 modules make up the battery pack for an entry-level Blazer or Equinox. The separate modules are necessary to protect the cells, but they also add significant weight.

At Tesla, Kelty used cylindrical cells, sort of like wrapping all the components into jelly rolls and encasing them in steel. The cylinders are partitioned by foam, and the single metal casing eliminates the need for separate modules. The cylindrical shape isn’t as space-efficient as Ultium’s, but it makes the pack much lighter, and lighter cars require less energy to move.

In the years since Kelty helped develop Tesla’s approach, his attention shifted to a third way. Prismatic cells, contrary to their name, aren’t shaped like prisms; they’re like bricks, which have the benefit of stacking neatly together. They’re encased in metal, offering structure without requiring individual modules. They’re light and space-efficient, the ideal combination, Kelty says.

GM signed a deal to purchase its first batch of prismatic cells from Samsung SDI Co. and will develop its own version of the technology with LG. Over time, GM will convert more of its batteries to prismatic, Kelty says. “The beauty of prismatic cells is that we can reduce the part count by about 50%,” he says. “You reduce your labor, you reduce your initial investment. Overall, you just get a massive price reduction.”

Using different battery chemistries can also lower costs, and for that reason, GM is incorporating lithium iron phosphate cells into some cars. This is the same kind of battery BYD uses. They store less energy than traditional lithium-ion batteries, but they’re cheaper. GM will use them in this year’s Bolt and a version of its Chevy Silverado pickup. Instead of 490 miles a charge, the truck will get 350, Kelty says—but it will be $6,000 cheaper.

As he borrows one idea from a Chinese rival, Kelty is trying to make GM less reliant on foreign goods. EV batteries require graphite, and 90% of it comes from China. Kelty wants to eventually switch from graphite to silicon, which can be sourced within the US. It’ll require significant upfront investment in the short term but, especially in the age of tariffs, could bring costs down in the long term.

Surprisingly, GM’s EVs may be getting some help from Musk. His alliance with Trump seemed at first to be a disaster for GM, but the political activism backfired for his car company. Global Tesla sales fell last year for the first time, the resale market is flooded with used Teslas and the stock is down more than 40% since Trump’s inauguration.

GM, meanwhile, went from 6% of EV market share in the US at the beginning of last year to 12% by the end. Its EV sales doubled in 2024 and maintained nearly the same pace in the first quarter of 2025. Executives regard EVs as a big opportunity to introduce GM brands to drivers who never would’ve considered them before. Cadillac and Chevrolet tend to be weak on the coasts, where EV sales are strongest. More than 60% of the company’s EV customers have never owned a GM car before, says Tavel, the project engineering head. If GM can get the cost of its EVs closer to that of gas cars, sales will take off, he says. “You really wanna grow? That’s where it is,” he says. “Why in the hell wouldn’t you be as aggressive as you can be right now, capturing that customer base? In the end, this is going to pay out.”

One reason to not be so aggressive: After factoring in development costs, GM loses money on every EV it sells. The category drained $4 billion from the company’s profits last year. (Jacobson, the CFO, says he expects the company to reduce half of that burden this year.) Tavel is confident that GM can lower those costs, and his team is looking at everything.

Back at the Ultium plant in Tennessee, Tavel pauses to inspect a battery pack sitting on a table. This one is designed for the Lyriq, an SUV that—along with the Vistiq and the two Chevy models built in Mexico—came out of the company’s first real effort at mass-market EVs.

The cars were engineered in a hurry, and as a result, there’s plenty of excess to be trimmed. The battery pack has two bolts right next to each other, one that fastens an orange high-voltage cable to the pack and another that helps hold the pack to the metal frame. If the two components were arranged a little differently, one bolt could hold it all together. That would save money and the labor needed to screw in the extra bolt. “The electrical guy didn’t talk to the assembly guy,” Tavel says. “It burns my ass. That will be fixed.”

The Lyriq has been in production for three years, and in that time, GM has figured out how to cut four hours from its assembly time. It can fully finish a vehicle in 29 hours, says Anton Busuttil, manager of the Tennessee plant. Wheel and tire assembly is fully automated, as is some of the seat installation; some other plants do those things manually.

Further up the assembly line, a burly, bearded man named Larry Morgan installs different sets of hoses or cables depending on the type of vehicle—gas or electric—that arrives at his station. Management has made clear to him that the EVs are very important to the company, he says: “If they’re the future, we’re ready for them.”

■ PHOTOGRAPH BY JOSEPH ROSS FOR BLOOMBERG BUSINESSWEEK

Michele Jardine at the Brookwood Community, the nonprofit where she lives and works in Brookshire, Texas

■ PHOTOGRAPH BY HARMON LI FOR BLOOMBERG BUSINESSWEEK

It’s still legal to pay some workers less because of their disabilities. Biden tried to change that, but Trump gets to decide what happens next

BENEATH AMERICA’S MINIMUM WAGE

By Josh Eidelson

At the fitness club where Michele Jardine used to work as a cleaner, her boss called her "retarded" in front of her co-workers. Jardine has an intellectual disability, which can make it harder to learn and understand instructions, and borderline personality disorder, which can lead to outbursts. She says repeated bullying at work led her to move to the Brookwood Community in Brookshire, Texas, a nonprofit whose goal is to "change the way the world thinks about adults with disabilities."

Jardine, who's 60, has been living at Brookwood for 15 years, and working there, too. She spends a few hours a day in the ceramics shop, where she glazes bowls, platters and souvenirs the nonprofit sells to the public. She's paid a piece rate that translates to about $1 to $3 an hour, depending on how much glazing she gets done. Brookwood is exempt from paying her the federal minimum wage of $7.25 an hour because of her disability. Each year, the nonprofit pays a total of about $350,000 to 250 employees with disabilities. The workers help grow flowers in its greenhouse, serve food in its restaurant and craft its reindeer-shaped Christmas candles. Brookwood says the pay for these jobs reflects the workers' productivity.

> "All these advocacy groups are out there saying, 'Everybody can make minimum wage.' But truly, there are all levels of people"

The money is "not very much," says Jardine, but that doesn't bug her, because she has financial support from family, subsidized room and board from Brookwood, and a job she loves. "The way I look at it is, I'm doing God's work here, and I feel really comfortable here," she says. She quotes Brookwood's chief executive officer emeritus, Vivian Shudde, who says its "citizens" are "square pegs," and while the outside world is a round hole, the nonprofit offers a square one instead. "Right here," Jardine says, "I fit in."

Tens of millions of Americans have some sort of disability, a term which covers a wide range of conditions. Disabilities can be visible or not. They can make it tougher to move, perceive, communicate or learn. They can begin at birth, or stem from age or accident or illness or war. Whereas about three-quarters of nondisabled working-age Americans are employed, only about two-fifths of people with disabilities are, in large part because employers choose not to hire them or provide them with necessary accommodations. That cuts people off not just from income but from a major way that Americans, for better and worse, tend to derive their sense of meaning, purpose and value.

Almost a century ago, Congress tried to make the labor of people with disabilities more attractive by creating a minimum-wage exception: a subminimum wage. The category is known as 14(c), in reference to the relevant section of federal wage law. Close to half of workers in the program make below $3.50 an hour, the US Department of Labor said last year. About 2% make 25¢ or less.

Employees receiving 14(c) wages measure concrete additive in Arkansas, package medical supplies in Missouri and cut wood for hose reels in Wisconsin. In recent years they've packaged lipstick for Grammys gift bags, compiled owners' manuals for major auto brands and cleaned parts used to build F-35 fighter jets, according to thousands of pages of federal and state records reviewed by *Bloomberg Businessweek*. In North Dakota, a foundation reported paying a rag-cutting worker 5¢ an hour. A recycling company in California paid a man with autism $4.35 an hour to sort through bags of recyclables that sometimes contained vomit.

A lot of people like their 14(c) jobs. Along with helping to ensure that employers hire workers with disabilities, the program is supposed to assist employees in building skills to succeed in "competitive integrated employment," meaning work alongside nondisabled colleagues for at least the minimum wage. But many former 14(c) workers say the program offered them no path forward. They say employers who were meant to protect them instead ripped them off–and, not incidentally, reinforced the stigmas they were supposed to fight.

"Everybody's friendly, everybody's smiling," says Brady Bartley, a worker with autism who, after graduating from high school in Ohio in 2014, made about $3 an hour disassembling speedometers. "They make you feel safe." At first, he says, his work at Weaver Industries Inc. helped him feel better about himself, but over the course of a year there, cutting his hands taking the speedometers apart, his attitude changed. "These people are really taking my time that I'll never be able to get back," he says he realized. "And I'm doing it for a smile and somebody to be nice to me."

Employees package medical supplies at Project CU in St. Louis

Bartley says Weaver presented the outside world as a scary, hostile place, discouraging staff from moving on. But he eventually did, and now he has a $26-an-hour manufacturing job that allows him the frequent breaks he needs for mental health. Although co-workers now sometimes mock how he speaks, he feels more respected there. “They’re assholes,” he says of his current colleagues, “but they’re not bad guys.”

Weaver says its 14(c) program provides all necessary safety equipment, pays based on productivity, and helps employees “with more significant challenges” develop skills for integrated jobs.

By law, 14(c) employees are supposed to get paid at least the amount a nondisabled peer would get for the same output, which can mean a much lower hourly rate depending on their pace. Employers are expected to determine that a worker’s disability reduces their productivity at a certain job, and to figure out the typical wage and output for that position, usually by surveying local businesses and timing a nondisabled worker with a stopwatch. Then they’re supposed to either assign a per-unit pay rate for each 14(c) task or assign each 14(c) worker an hourly wage proportionate to their productivity, usually by periodically timing each employee. In practice, this can amount to formulating a bespoke minimum wage for each 14(c) employee, with multiple judgment calls and limited oversight. Pride Inc., a social services nonprofit in Bismarck, North Dakota, determined custodial pay by having an observer spray what it called “coffee water” on mirrors and around toilets, shelves and dispensers, then spread a mess of paper dots on the floor. It timed how long each worker took to clean it all up, according to its 2023 state filings. Based on this system, Pride assigned custodians hourly pay of $3.14 to $6.17.

According to federal data, about 40,000 US workers were covered by 14(c) certificates last year. Defenders of the program estimate the real number of Americans making a subminimum wage is more than 100,000. This is because employers whose certificates have expired are allowed to maintain 14(c) rates while they wait for renewals and because the Labor Department doesn’t count employees who make more than $7.25 but less than their state’s higher minimum wage, owing to similar state-level carve-outs.

The ranks of the federal program have shrunk in recent years, as many advocates, state authorities and businesses have turned against it. The month before President Joe Biden left office, his Labor Department proposed abolishing 14(c). The wheels of government being what they are, the program’s fate is now up to Donald Trump, and 14(c) employers have been urging the president to reverse course and preserve it. Some say they’ve received private signals that he will.

“All these advocacy groups are out there saying, ‘Everybody can make minimum wage,’ ” says Colleen Stuart, president of the pro-14(c) Coalition for the Preservation of Employment Choice. “But truly, there are all levels of people.” Stuart is the longtime CEO of Venango Training & Development Center Inc. in rural Pennsylvania, where 14(c) employees gather every other Friday in a gray cafeteria, festooned with grinning emoji, for a lunch to celebrate getting their checks. “Payday is like heaven,” says Stuart, who jokes to workers that they should use the money to take her to lunch. “It is a success to them.”

The 14(c) program’s defenders expect that Trump’s deregulatory approach means he’ll protect the program. Craig Leen, who oversaw contractor compliance in Trump’s first-term Labor Department and is seen as a contender to return there, is an ▶

Bartley says he made about $3 an hour disassembling speedometers

■ PHOTOGRAPHS BY WHITNEY CURTIS (PROJECT CU) AND JOHN-DAVID RICHARDSON (BARTLEY) FOR BLOOMBERG BUSINESSWEEK

Richard Payne says his old bosses refused to pay him more than roughly $1.70 an hour, betting he wouldn't find other work. They were wrong

■ PHOTOGRAPH BY JOHN-DAVID RICHARDSON FOR BLOOMBERG BUSINESSWEEK

◀ attorney for the pro-14(c) coalition. Leen says ending 14(c) will deprive people with disabilities, including his daughter. "Most 14(c) programs are fully compliant and wonderful places to work," he says. "It's absolutely not discrimination in any way."

The subminimum wage was once seen by many as a progressive solution for what one New Deal congressman called "subnormal workers." FDR's wage law authorized the Labor Department to distribute exemptions "to the extent necessary in order to prevent curtailment of opportunities" for workers "whose earning capacity is impaired." This became key to the business model for many "sheltered workshops," generally nonprofits that employed people with disabilities at below minimum wage and segregated them from other workers. Often they performed tasks for for-profit companies or the government, while receiving state or federal funds to provide services to the people they employed. For many families, schools and service providers, 14(c) work became a default assumption about where people with certain disabilities could belong.

In the 1980s, Richard Payne, who is blind, was paid about $1.70 an hour to pack plasticware for Walmart and Rubbermaid at a now-defunct supplier in Mississippi. "It makes you feel incomplete," says Payne, who's now Ohio chapter president for the National Federation of the Blind. His workplace also employed nondisabled staff at higher wages, he says. Some would tell him about the lives they were building that he couldn't afford: homes they were buying, cars they were driving, trips they were taking.

When workers confronted management about the two-tier pay scale, he says, the response was: "If we weren't here, you couldn't find a job." When Payne eventually quit, his boss told him, "You'll be back." Along with leading the state chapter, he now works customer service for a financial-services company, making well above minimum wage.

In 1990, President George H.W. Bush signed the Americans With Disabilities Act, prohibiting discrimination in many areas of life and enshrining integration and equality, rather than charity, as the aims of US disability policy. A cascade of subsequent changes and controversies helped force a still-incomplete reckoning for 14(c). President Barack Obama's Department of Justice brought an ADA case alleging that as early as high school, Rhode Islanders with disabilities were wrongly routed into segregated workshops, even though they could have succeeded elsewhere. The state stopped placing people in sheltered workshops and eventually ended its subminimum wage. Ten others have now done the same. The Obama administration also instituted a $10.10 floor for workers on federal contracts and signed into law a bill that requires 14(c) employees to be provided career counseling and other info to help them pursue competitive integrated jobs.

During Trump's first term, the US Commission on Civil Rights and the National Council on Disability, both independent federal agencies, urged phasing out 14(c). The Civil Rights Commission said its investigation had found that 14(c) employees with intellectual and developmental disabilities were "not categorically different in level of disability" from people with such disabilities in competitive integrated jobs.

But 14(c) has remained in place, and many workers get less than the program promises, investigations by the Labor Department under both Trump and Biden found. In Oklahoma, one employer deducted pay for "sleep time" without providing sleeping quarters, while another simply put off paying employees at the end of some pay periods because their checks were going to be less than $5. The Association for Retarded Citizens in Lansing, Illinois, an affiliate of the national disability rights and services nonprofit called The Arc, paid $4 an hour for picking up supermarket parking lot trash without ever having done time or prevailing-wage studies. To calculate the prevailing wage for assembly work, a supervisor at a Catholic diocese's charity in Wisconsin asked what her brother's restaurant paid dishwashers.

In 2023 the Labor Department's wage and hour division found that only 12% of 14(c) employers it investigated were in compliance. That year, the department recovered millions in back pay it said was owed to thousands of workers. It's found violators even among state governments, including those of Georgia, Texas and Wisconsin. In some extreme cases, the feds have also found that 14(c) employers shirked on safety. In Kansas, according to the department, an Arc affiliate called Tarc Industries operated its industrial shredder without machine guarding, endangering workers' limbs.

Defenders of 14(c) note that employers investigated by the Labor Department are more likely to have violations than a random sample, and that non-14(c) businesses have wage and safety issues of their own. The CEO of the Arc of the United States, Katy Neas, said in an email that "many of our chapters" have steered away from the 14(c) program and embraced the "shift to good jobs for good pay." The Arc's Lansing affiliate said it has left the program. A spokesperson for Texas' health and human services agency said any issues the feds identified have been resolved. Other employers didn't comment in response to inquiries.

There's a process for a worker to contest how their boss assessed their productivity, though it's rarely used. In 2016 a Labor Department judge awarded back pay and damages to three employees who challenged the subminimum wage paid to them by Seneca Re-Ad Industries Inc., an Ohio nonprofit that supplies a rubber flooring manufacturer. Judge Steven Bell found that Seneca's records describing each worker's hourly productivity were based on timing them for a few minutes and then extrapolating. Bell's ruling, upheld last year in federal court, also said the company doubled its estimate of nondisabled workers' productivity in just a few years, driving down 14(c) workers' pay.

The judge said Seneca's witnesses, who described workers struggling with certain tasks, lacking focus and taking frequent breaks, never proved that blindness or developmental disabilities were the main reason for their subpar performance. "It is just as likely they don't meet the production standards because they are bored with a highly repetitive task they have performed on a hundred prior occasions, or because they lack a substantial economic impetus to perform at a higher level," Bell ruled, "or because they self-identify as individuals whose performance should be lower than their non-disabled supervisors."

"It's not like we're trying to have slave labor"

A few years later, an Ohio jury had to decide whether UCO Industries Inc., a supplier for Honda Motor Co., had violated the ADA by keeping Michael Denoewer at the all-14(c) tables making less than $2 an hour in its factory rather than giving him a fair shot to move to the better-paying production line. Attorneys for Denoewer, who's nonverbal and has autism, said that his mother (his legal guardian) made clear that he wanted to work on the line and that the company had robbed him of both cash and career advancement. They said Denoewer had ways of communicating effectively, including a personalized iPad, that UCO didn't bother to use. The company, which assembled Honda vehicle owners' manuals, agreed that Denoewer could perform the "essential functions" required to work on the line. But it argued that he hadn't asked to, that it knew he didn't want to and that he might have become "disruptive" if they tried to make him.

"It's not like we're trying to have slave labor," UCO lawyer Robert Beggs told the jury at the start of the 2021 trial, citing UCO's 14(c) certificate as evidence its pay was aboveboard. After Denoewer's mother, Tamara Basil, testified that he could express himself clearly to those who made the effort to understand, Beggs cross-examined her about the extent of his disability.

"He couldn't cross the street by himself. It would be too dangerous, true?" he asked.

"True," she answered.

"Michael couldn't tell if the shower was too hot or too cold, true?"

"Correct."

"Michael could sometimes eat too fast and it could be a choking hazard, true?"

"True, especially if he was eating McDonald's."

Near the trial's end, Judge Algenon Marbley asked UCO to explain why it was legal for the company to start workers like Denoewer at the subminimum wage tables, while nondisabled temp workers brought in during busy times could work on the line from Day 1. "The disabled group has a barrier or a hurdle that they must cross before they can get to the production line that is not the same," the judge said.

"That is true, your honor," answered Danny Caudill, another UCO attorney. ▶

◀ “OK. But that’s not discrimination?”

“No, it’s not, your honor, not in the context of this case.” Workers like Denoewer, Caudill noted, were referred there by the county. “These are comparing apples and oranges,” he said. “Their jobs are very different. The purposes for which they’re brought in are very different.”

Later that day, Beggs said Denoewer simply preferred to stay at the tables. “If Michael could have talked, that’s what Michael would have said,” he told the jury. After stressing UCO’s decades of work to help people with disabilities, he mused, “I’m reminded of the adage ‘No good deed goes unpunished.’”

The jury sided with UCO. In an emailed statement, Honda said it “is utilizing UCO for a specific service because we understood it to be a positive effort to promote employment opportunities and help individuals with disabilities gain independence in life.”

At a Labor Department listening session in 2023, as the agency mulled 14(c)’s future, Natalie Couch, executive director of Lake Area Industries Inc. in Camdenton, Missouri, brought a few of her workers on a videoconference call and urged the government to back off. “If competitive employment was achievable for our employees, we wouldn’t be needed,” she told Biden labor officials before introducing the workers.

“I like working and break time,” said an employee named Reggie.

“Hi. I like working here as an employee,” said Nick.

“Hi. We are one big, happy family,” said Jennifer. “You have no right to take our workshop away.”

A lot of parents agree. In an interview arranged by the 14(c) employer Boone Center Inc. in St. Peters, Missouri, Mark Wheeler and Shelia Harris-Wheeler describe the nonprofit as a godsend for their son Alex, keeping him safe while they work and giving him a sense of purpose. They say the timed productivity tests serve a purpose, too.

“Sometimes you make more money when you’re concentrating hard and doing a good job, right?” Shelia asks Alex, a 35-year-old with autism who’s wearing a Chicago Cubs T-shirt.

“Yeah,” says Alex, who makes $3.20 an hour packaging products like balloons and mouse bait.

“And what happens when you’re a slacker?”

“My money goes down.”

When *Businessweek* asks Alex if he wants to make more money, he answers, “Yes, I do.”

“But Alex, do you know what you have to do to make more money?” Shelia asks.

“Not be a slacker,” answers her son, who says he likes his job because “I get to be with my friends all day.”

Shelia and Mark, who work in compliance and sales, adopted Alex when he was a malnourished almost-2-year-old with developmental delays. They say his pay is just as fair as theirs. “The amount of money I make is commensurate on my skills—that’s the real world,” Shelia says. “Why would we take a sheltered workshop and say, oh no, you’ve got to pay them just because they’re a human being? Everybody has a different skill level, and they’re paid upon their level of capabilities. Alex is paid correctly on his level and his capability, just like his mom, just like his dad.”

Jardine, left, works on ceramics at Brookwood

Defenders of 14(c) say even small paychecks can provide great meaning and dignity to people with disabilities, whose more important financial support often comes from federal programs such as Social Security that would cut benefits if their wages increased. They say sheltered, subminimum-wage work is one option among many and should remain available as a choice for those who say they want it or whose legal guardians determine it’s the best option they’ve got. They argue that the program’s critics have let the knee-jerk appeal of equality crowd out the harsh realities of business. “As an employer, if somebody were to bring my son to me—some other kid that’s just like my son—what am I going to do with this?” says Tim Christian, a marketer whose 20-year-old son has autism and works a 14(c) packaging job at the nonprofit Project CU Inc. in St. Louis. “How am I going to make this work, right? And my heart says I would love to find a way, but my bottom line says this is a drag on my business operations.”

Kit Brewer, the executive director of CU (short for Challenge Unlimited) and vice president of the pro-14(c) lobbying group, says “virtually every” person he pays a subminimum rate could be working an integrated job at or above minimum wage with the right support. But some, he says, would need help taking their medication or using the bathroom. Others might need to move to another city to find the right fit, meaning a family member would have to move with them. And many would need a boss who can be flexible and patient. Often, Brewer says, this combination of circumstances simply “doesn’t exist.” He says the share of his 14(c) workforce that asks for help pursuing competitive, integrated jobs ranges from 1% to 2% a year.

Advocates for abolishing 14(c) say employers, well-meaning nonprofits included, have repeatedly shown they can’t be trusted to assess fair wages or otherwise hew to the spirit or letter of the law. American employers get to wield “almost sovereign power” over their employees, says Samuel Bagenstos, former general counsel for the Biden Department of Health and Human Services, who’s a law professor at the University of

■ PHOTOGRAPHS BY HARMON LI (JARDINE) AND WHITNEY CURTIS (WHEELER) FOR BLOOMBERG BUSINESSWEEK

Michigan. He says 14(c) employers get the benefits of being the boss without the basic responsibility that's supposed to accompany them. Neil Romano, who ran the Labor Department's disability office under President George W. Bush, says the program has also held down public perceptions about what people with disabilities can accomplish. "I've had members of Congress say to me, 'Well, obviously they can't work—we have a program that pays them less than minimum wage,'" he says.

Trying to solve discrimination by placing a discount on workers' labor is just as nonsensical for people with disabilities as it would be for women or Black people, says Romano. He says a congressional staffer once pressed him to concede that some disabilities really do preclude competitive integrated work, offering the extreme example of someone who's comatose and hospitalized. Romano answered, "Maybe we could get them all jobs on films and things about people in hospitals."

Comatose extras notwithstanding, other 14(c) opponents say there may indeed be a sliver of people whose disabilities, even with all the right training and accommodations, would prevent them from succeeding in competitive jobs. But they argue there's no justice in steering them to subminimum-wage employment, where they're particularly vulnerable to exploitation, rather than alternatives like volunteering, socializing, freelancing or pursuing hobbies that might be more meaningful than rag-cutting anyway. "Not everybody even wants to be employed, and that's OK," says Catherine Nielsen, executive director of the Nevada Governor's Council on Developmental Disabilities. Since the state passed a law to phase out its own subminimum wage, most people who were working 14(c) jobs got better-paying roles at the same employers or at new ones; a smaller number ended up in state-funded activities such as vocational skills training or volunteering with animals or kids. "We want to make sure that their day is meaningful," she says.

Opponents of 14(c) also say it's difficult to confidently declare anyone incapable of succeeding in a job beyond sheltered workshops, when that assumption has wrongly been made about so many people before. Last year a *Washington Post* analysis found that in eight states that ended their 14(c) programs, the employment rates for adults with cognitive disabilities went up 14% or more (adjusted for overall employment growth), suggesting workers were flourishing in the sorts of jobs they'd been kept from. (Supporters of 14(c) note that employment of people with disabilities has increased nationwide.)

Some opponents are employers who once used 14(c). "It was time to burn the bridges," says Jeff Dolven, CEO of Tessera, outside Seattle, which phased out subminimum-wage operations like its jump-rope factory more than a decade ago. Sending young workers to that factory had become "the easy answer" for families, even when their kids seemed capable of succeeding elsewhere, he says. Shutting it down provoked ▶

Alex Wheeler packaging balloons at Boone Center, where he makes $3.20 an hour

Tawana Freeman's employer says workers have been more productive at competitive wages and without 14(c)'s time studies

◀ furious reactions ("It started with 'F,' there was a 'you' involved"), but most people who'd been working there found roles that paid above minimum wage.

These days, Tessera has more than 1,000 employees with disabilities in 14 states, working on contracts that include providing aerospace manufacturing parts for Boeing Co. and Lockheed Martin Corp. In a converted warehouse on one military base, Tessera employees with physical disabilities repair Humvees, while others with intellectual disabilities do janitorial work.

At the government contractor Melwood Enterprises, in Maryland, workers say they used to dread the periodic time studies for tasks like cleaning bathrooms. "It's worse than a driver's test," says Tawana Freeman, who has a learning disability and has worked there for close to three decades. The night before going in to have a manager time her janitorial work, she couldn't sleep. "I'll never forget that little round watch," she says. "I wouldn't do a stopwatch for my dog." Freeman still works as a janitor at a US Department of Agriculture building, but now she makes $19 an hour, because Melwood left the 14(c) program in 2016.

Melwood CEO Larysa Kautz says the nonprofit pulled off the transition without firing any employees. Abolishing time studies made workers more productive, she says, and paying the minimum wage (or better) forced management to think more creatively to find higher-margin lines of business. Instead of shredding paper, Melwood now digitizes documents, operating with security clearances and a sensitive compartmented information facility, or SCIF. The nonprofit provides accommodations to help staff succeed in all sorts of roles—including its chair, Brad Spencer, who has a brain injury but mitigates his short-term memory loss by having an adviser sometimes remind him midconversation about what's been said.

Marissa Mertz, a 27-year-old who makes $24 an hour at a manufacturing company, says she gets helpful accommodations there, too. Starting when she was 20, she spent three years working at Boone Center in Missouri, where time studies pushed her first weeks' pay of $3.50 an hour up to $8.60. In an interview arranged by Boone, she says that working there helped build her confidence, and that Biden's Labor Department was wrong to try to end 14(c): "What they're doing is taking away a job opportunity from somebody who, unfortunately, doesn't have the skill set to be able to work out in the community."

Mertz acknowledges that she herself "wasn't necessarily the target person" for a sheltered workshop. Her only disability, she says, is attention deficit disorder.

Under Biden's proposed regulation, no more employers would get permission to pay subminimum wage, and organizations now using 14(c) would need instead to pay full minimum wage within three years. But Trump is unlikely to finalize that proposal. "We believe that it's going to die on the vine," says CU's Brewer, citing conversations his coalition

■ PHOTOGRAPHS BY SCHAUN CHAMPION (FREEMAN) AND WHITNEY CURTIS (PROJECT CU) FOR BLOOMBERG BUSINESSWEEK

has already had with "staffers in appropriate places" in Washington. The Trump Labor Department didn't comment in response to inquiries.

Along with forcing insufficiently productive workers out of jobs, Brewer says, ending 14(c) would deprive companies of the services they've been providing. He says many Americans have an unfortunate bias against factory work that would deter them from taking the jobs even at market rates. "Very, very few people have a newborn child and, in their heart of hearts, dream that he's going to work in a factory," he says. "If I am forced to hire from the community, I don't know if I can fill all those positions."

Opponents of 14(c) say successful transitions could take a lot of work and money: companies giving disabled workers jobs and proper accommodations rather than polite brush-offs; government funds helping nonprofits to overhaul their models and workers to boost their skills. Government contracting can play a pivotal role, says Chai Feldblum, who helped write the ADA and, until being fired by Trump in January, was vice chair of the federal AbilityOne Commission, which oversees $4 billion in funding for vendors required to mostly employ people with disabilities. "Nondiscrimination is a foundation, affirmative action is slightly better, but creating a financial incentive is really the best," she says.

Medicaid and the US Department of Education, which Trump allies in Congress have targeted for major cuts, have been key to funding supports like vocational training, job coaches and accommodations. States that are ending support for sheltered workshops are investing in alternatives. State funds cover costs for many participants in The Arc of Indiana's Erskine Green Training Institute, which has placed hundreds of people with disabilities in competitive, integrated hospitality and health-care jobs. Participants spend a couple-ish months living at a Courtyard by Marriott in Muncie and training full time there or at a nearby Indiana University hospital. One graduate, Zach Arland, has cerebral palsy and speaks with a frequent stutter. He's been working the hotel front desk at the Muncie Courtyard for seven years, gaining confidence he's deployed in community theater productions and earning money he's used to get his own place and a bunch of Batman tattoos. "I think the kinds of things that sheltered workshops do just feed the stigma," says Arland, who was rejected from half a dozen jobs before landing this one. "I know I can do this," he remembers telling his mom, "if someone would just give me a chance."

14(c) employees package dog treats at Project CU

For now, it's business as usual at workshops like Brookwood. Shudde, the CEO emeritus, says it wouldn't be viable to pay everyone minimum wage given the support they need at work. "Work equals worth," regardless of how much it pays, she says, and it ensures you aren't a "misfit" when you're catching up with nondisabled family at Thanksgiving. To ensure there are options, "we need to double the number of people that are folded under the 14(c)," says Shudde, whose son and sister both work and live at Brookwood. "I wish we could all be more like our citizens, who count the days during the holiday until they can get back to work."

The Labor Department cited Brookwood in 2017 and 2023 for violating 14(c) rules, including by not conducting adequate time studies and not providing required info on self-advocacy and peer mentorship opportunities to help them succeed beyond its walls. The nonprofit agreed to pay $150,000 in the latest case. "If we know the law, we abide by it," she says. Brookwood is grateful for the feds' help achieving compliance, she says, and has made changes to ensure it's following the rules.

When the Labor Department sent an investigator to Brookwood a decade ago, he met a citizen with Down syndrome being paid a 14(c) rate to patrol the premises as its "sheriff," Shudde says. Brookwood had given him that role because it was what he felt motivated to do, but hadn't called around to assess the prevailing wage for sheriffs.

"Vivian, it looks like you're making up what you're paying some of these people," Shudde recalls the labor investigator telling her. "And I said, 'Well, we are.'"

("We're not anymore, though," interjects Becah Butler, Brookwood's chief programs officer. The man now works in ceramics, wearing his sheriff badge.)

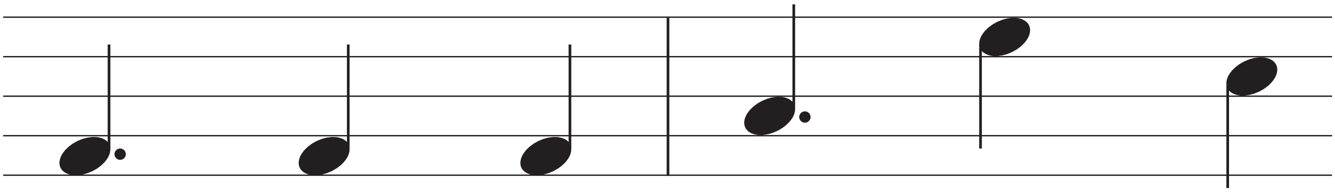
Shudde, who stepped down as CEO last year, now runs Brookwood's center for learning, which over the past decade has hosted hundreds of organizations and individuals for conferences about how they can create and manage their own Brookwood-style nonprofits.

On *Businessweek*'s recent visit to Brookwood, a series of citizens say they're happy there and they don't know how much they're paid but aren't concerned about it. Shudde prompts one greenhouse worker, "What is the first thing you're told when you get a job at Brookwood? You can…"

"Never get fired," the worker responds.

Shudde says afterward that she hadn't realized workers there didn't know their pay rates. She quips that she now realizes the community could pay many workers less—or give out blank, unsigned checks.

"I mean, we could have saved a lot of money," she says later, with a laugh. "But that isn't our goal." Ⓑ



OFF-KEY

Merck Mercuriadis convinced pop stars and Wall Street that music was the next hot asset class. It worked out for everyone—but him

By Devin Leonard

Illustration by Sean Dong

IF YOU FIND CORPORATE FINANCIAL FILINGS TO BE less than scintillating, you might try thumbing through Hipgnosis Songs Fund Ltd.'s 2021 annual report, which at times resembles an issue of *Rolling Stone*. There you'll encounter glamorous, full-page portraits and interviews with artist-producer Mark Ronson, his face tilted in semi-profile like a Hollywood star; former Fleetwood Mac member Lindsey Buckingham, guitar in his hands; Eurythmics co-founder Dave Stewart, tipping his fedora; and Latin music superstar Shakira, her golden tresses swaying in the breeze or, more likely, animated by an in-studio fan.

What do all these hitmakers have in common? They sold their songwriting libraries to Hipgnosis, a Guernsey-based investment fund, started three years earlier by Merck Mercuriadis, whose own portrait–head shaved, outfit characteristically all-black–also appears in those pages. A consummate shoulder-rubber who endeared himself to rock stars and pop idols with his appreciation for their deepest cuts, Mercuriadis had negotiated these deals, along with ones for Neil Young, Barry Manilow, Blondie's Debbie Harry and Chris Stein, as well as a flurry of other artists, for as much as or more than tens of millions of dollars each. It was all for the publicly traded fund, which, as he was fond of putting it, was the first one on the London Stock Exchange to invest solely in a new asset class: songs.

Mercuriadis liked to say that in the streaming age, when more people were paying more for music than ever, an investment in songs was as safe as one in oil or gold, especially the hits Hipgnosis was stockpiling. There will never be another Eurythmics' *Sweet Dreams (Are Made of This)*, Chic's *Good Times* or Journey's *Don't Stop Believin'*, all of which he boasted were among the 65,413 songs Hipgnosis would acquire for $2.2 billion. This trove, he pitched, would only become more valuable. As Mercuriadis noted on a podcast in 2021, there were roughly 30 million streaming subscribers when Hipgnosis made its debut in 2018. Now, he estimated, there were 450 million. What would Hipgnosis be worth when the number reached 2 billion, which Mercuriadis predicted would happen within the next decade?

Streaming was just one source of revenue. Every time one of its songs was played on the radio or performed live, Hipgnosis would get a royalty payment. Mercuriadis promised that he and his team would also pursue sync deals–that is, get its songs featured in movies, TV shows and commercials. Then there was persuading contemporary artists to cover its older songs, as Miley Cyrus did in 2020 with Blondie's *Heart of Glass*, which the Hipgnosis founder said led to an additional surge of streaming money from TikTok.

It was an irresistible sales pitch. Hipgnosis attracted otherwise risk-averse investors such as the Church of England's pension fund, and in 2021, Mercuriadis joined forces with Blackstone Inc., one of the world's largest investment companies, to create a private Hipgnosis catalog acquisition fund. Blackstone promised to put up $1 billion. "We look forward to working with Merck and his team to continue their exciting journey," Qasim Abbas, a Blackstone senior managing director, said at the time.

For a while, many of Hipgnosis' competitors in the catalog-acquiring business accused it of wildly overpaying for songs. Eventually they joined the fray, as Universal Music Group NV did when it purchased Bob Dylan's treasure chest of more than 600 songs for an estimated $300 million in late 2020. Such deals would have been unthinkable pre-Mercuriadis. "For those of us who sell these catalogs, Merck was like boom time," says prominent music industry attorney John Branca, who represented artists such as Enrique Iglesias in deals with Hipgnosis.

It was a remarkable comeback for Mercuriadis, previously chief executive officer of Sanctuary Group Ltd., a publicly traded UK-based music company that released albums, managed artists and booked tours and, for a time, boasted a similarly glittered roster that ranged from Kiss to Dolly Parton to Wu-Tang Clan. In 2006 it lost 97% of its market value after its earnings plummeted, and it removed its executive chairman as questions were raised about the company's accounting practices. Mercuriadis resigned that same year, tainted by his company's collapse.

Now he was back on top. Mercuriadis was not only redefining the music-publishing business but also vowing to use his newfound power to win more money for songwriters, who, he argued, had been historically underpaid. He accused the big ▶

◀ three music companies—Universal, Sony Music Entertainment and Warner Music Group—of sitting on mountains of songs while doing little to help composers, because the companies made most of their money from royalties collected from owning the original recordings of the records they released.

In November 2021, four months after the publication of its star-studded annual report, Hipgnosis' shares soared to an all-time high. But within a few years, everything would unravel as Mercuriadis became engulfed in accusations of mismanagement, conflicts of interests and accounting shenanigans, not unlike those that had surfaced at his old company. He stepped away from Hipgnosis in July 2024 and now sees dark forces behind his tumble from grace. So does the Eurythmics' Stewart, who served as an adviser to Mercuriadis in better times at Hipgnosis and views him as a martyr. "I could see it all happening," Stewart says. "He was a threat."

Bob Lefsetz, author of an influential music industry newsletter, isn't so sure. Lefsetz, who briefly worked at Sanctuary decades ago (before Mercuriadis joined), says shrewder minds in the business predicted what would happen at Hipgnosis from the start. "Anyone I discussed it with—I'm talking about the absolute top-tier people—knew this was going to fail because Sanctuary failed," Lefsetz says. "It wasn't like anybody sat there and said, 'Oh, this is a great idea. This is going to work for Merck.' "

MERCURIADIS HAS LONG POSITIONED HIMSELF as a champion of musicians. He fell in love with music at age 5 and realized it would be his calling several years later when an older cousin came to live with his family in their sleepy northern Quebec town, arriving with a stack of albums that included Black Sabbath's *Paranoid*, Curtis Mayfield's *Superfly* and several of Pink Floyd's trippy early-1970s discs. "I knew from that moment I wanted to be in music," he says, sitting beneath a large photograph of Aretha Franklin at Cavatina, an industry haunt in West Hollywood, dining on his standard breakfast of six grapefruit halves.

He realized early on that he didn't have the talent to shred the guitar like Jimmy Page, but as he read books about his rock deities, he noticed there were other kinds of people involved in their careers: suits. He inundated Virgin Records, a label bold enough to sign the gleefully nihilistic Sex Pistols, with letters until executives there took note and parked him in the marketing department of its Toronto office. He was 19 and soon discovered the thrill of driving through Montreal with Boy George and Culture Club in a limo and being surrounded by fans, who ripped the roof off the car.

Over time, he grew tired of working for a label, longing instead to look out for the interests of artists. So in 1987 he went to work for Rod Smallwood and Andy Taylor, founders of London-based Sanctuary Group, which managed the British metal band Iron Maiden. Mercuriadis became fast friends with his new bosses and close to Bruce Dickinson, Iron Maiden's longtime howling lead singer. "He was my best man," Mercuriadis says. "I was his best man. He's godfather to my kids. I'm godfather to his kids." (Smallwood and Taylor declined to comment; the band's manager confirmed Mercuriadis' relationship with Dickinson.)

Propelled by Iron Maiden's success, Sanctuary went public on the London Stock Exchange in 1998 and acquired multiple labels and management companies. Mercuriadis was named head of its US operations in 2000, and four years later he became Sanctuary's CEO. At the time, it was riding high on hit albums by Morrissey and the Strokes and sellout tours for Iron Maiden and Metallica. While Mercuriadis was in charge, the company also oversaw the careers of Guns N' Roses, the Pet Shop Boys, Elton John and Beyoncé. In a March 2005 interview in *Billboard*, he predicted his company would be among those that dominated the music industry in the next half-century.

Shortly afterward, however, Sanctuary issued a warning that it would suffer significant losses because it had grown too rapidly. Its stock cratered, and its board ousted Taylor as executive chairman, saying it couldn't vouch for some of the company's accounting on his watch. Mercuriadis, who resigned too, blames illegal file-sharing, which devastated album sales, for Sanctuary's woes and says he had little to do with its finances. "I was the CEO because I had the relationships with the artists," he says. "Creatively, I was making the decisions about what the record company should do, what the management company should do. But in terms of it floating on the stock market, that was all done by the finance people."

A confidential report prepared in 2006 for the board by KPMG LLP and the law firm Slaughter & May, however, pointed to several transactions involving Mercuriadis where Sanctuary appeared to have improperly booked certain items as revenue when it was under pressure to make its numbers. In one case it did so with $1 million from Creative Artists Agency that Mercuriadis had confirmed in an email was actually a loan from the talent agency. In another, Sanctuary billed Guns N' Roses' frontman Axl Rose $3.4 million, but it never bothered to collect the money, counting it as revenue too. (CAA declined to comment; Rose didn't respond to a similar request.) Then there was a dubious transaction involving $5 million in "services" received from the owner of a music management firm Sanctuary was in the process of acquiring. The report highlighted an email sent by Mercuriadis in which he seemed to be instructing his fellow executives to fib about the exchange: "You can just make it up. Consultation on tour, production, merchandising, etc." (Mercuriadis says the information in the report is "inaccurate.")

In 2007, Universal bought Sanctuary for £44 million ($88 million), or 20 pence a share, less than a third of what its stock had been worth six years earlier. Mercuriadis says he fell into a deep funk. After 21 years at Sanctuary, he had virtually nothing to show for it. "That was depressing," he says.

There were reports at the time that Mercuriadis would be joining Irving Azoff's Front Line Management, but that never materialized. Instead he fell out with some of the clients he'd retained from Sanctuary, including Rose, who publicly severed ties with Mercuriadis in 2006, and Morrissey, who eventually fired him. (Mercuriadis then sued Morrissey; they settled. Morrissey didn't respond to requests for comment.)

Still, Mercuriadis observed a power shift in the music business.

▲ Mercuriadis at his home in Los Angeles earlier this year

■ PHOTOGRAPH BY DAMIEN MALONEY FOR BLOOMBERG BUSINESSWEEK

Gone were the days when the charts were dominated by acts that wrote and performed their own material. Now many of the biggest stars relied on hitmaking songwriters, some of whom he now began to manage as he restarted his career after Sanctuary, including Diane Warren, composer of weepy power ballads such as Celine Dion's *Because You Loved Me* and Cher's *If I Could Turn Back Time*, and Terius Nash, aka The-Dream, co-writer of pop anthems including Beyoncé's *Single Ladies (Put a Ring on It)* and Rihanna's *Umbrella*. As talents like Warren and Nash became hot commodities in their own right, they, too, needed a manager to massage their egos, get their songs in the hands of the most appropriate singer and negotiate royalty splits with the other composers they often shared songwriting credits with. Mercuriadis also believed songwriters were getting shortchanged in the streaming era, with, for example, four-fifths of Spotify revenue going to record labels, while those on the songwriting side had to content themselves with the remaining 20%.

His response to these changes was Hipgnosis, which would allow the public to invest in hit songs while also boosting riches for songwriters. He took the name from the storied London design studio responsible for album covers including Pink Floyd's *The Dark Side of the Moon*. When the company went public in July 2018 at the London exchange, he trotted out Nile Rodgers, founder of 1970s disco band Chic. Rodgers brought along his guitar and performed the Sister Sledge hit *We Are Family*, which he co-composed. Investors couldn't buy enough shares, and the initial public offering raised £202 million.

It was a triumphant moment for Mercuriadis, who'd manage the fund and handle its dealmaking via a separate advisory firm known as the Family, which he owned along with his three daughters, who also held executive positions. That same day he announced what would be the first of Hipgnosis' many acquisitions, and it was a show of force: the $23 million purchase of a 75% interest in Nash's 302-song collection, including not just those he'd co-composed for Beyoncé and Rihanna but also Justin Bieber's *Sorry*, Mariah Carey's *Touch My Body* and Jay-Z and Justin Timberlake's *Holy Grail*. It was one of the few times the fund would disclose what it had paid for tunes, but Mercuriadis was just getting started and clearly wanted to get the attention of songwriters.

Soon after, Mercuriadis called Mark Stewart, the brother and manager of songwriter Tricky Stewart, who frequently collaborated with Nash on many of his biggest hits. "He goes, 'Hey, would Tricky be interested in selling?'" Mark recalls. The Stewart brothers had known Mercuriadis for years and considered him a friend. Even so, Mark says he called some other potential buyers and started a bidding war, but Mercuriadis prevailed with the highest offer. Mark won't reveal the sum, but he says it was the kind of big number buyers historically had been reluctant to pay for catalogs, particularly by Black writers. "The argument would be, 'Well, this is not Billy Joel. It's not evergreen,'" Mark says. "When Merck came around, he's like, 'No, I think the songs of Beyoncé and Rihanna and Kanye West, they're as important as the songs of Queen.'"

Word got around, and Mark started hearing from other people with songs to sell. "Everybody that I've ever known ▶

◀ that had some assets accumulated over the years, and who did not know Merck, would call me because everybody knew we were friends, going, 'Hey, man, can you introduce me?' " he says. It didn't hurt that Mercuriadis could also charm artists by quoting chapter and verse when it came to their discographies. "The amazing thing about Merck is that he can almost recite the lyrics back to you," says Eurythmics' Dave Stewart, who sold his catalog to Hipgnosis in 2019 and joined the Family's advisory board along with Rodgers and Nash. Plus, he adds, "his vinyl collection is bonkers."

MERCURIADIS WAS THE TALK of the music industry, gracing the cover of *Billboard* and posing in newspapers and magazines on both sides of the Atlantic. He wasn't the first person to negotiate catalog deals. The big music companies had been doing it for decades, while smaller, privately held firms such as Primary Wave and Round Hill Music had also long been in the game. But none of them could match Mercuriadis' volume of deals. Armed with cash from repeated equity raises and millions of dollars in debt, he orchestrated the acquisitions of 29 catalogs in 2019 and 72 in 2020, including Ronson's and Shakira's. "What I immediately knew when I met him was that he is a true music connoisseur," Shakira wrote to *Bloomberg Businessweek* in an email. Ronson describes his deal with Mercuriadis as "a no-brainer."

While Hipgnosis stayed mum about the amounts it was paying, industry people say the sums would have been previously unimaginable. Before Mercuriadis, catalogs often traded in the range of 10 times earnings. Hipgnosis stunned the industry by paying twice that. "It was definitely north of 20 for a lot of people," Mark says. "And definitely for Tricky's catalog." Mercuriadis says his average deal was significantly lower. But Round Hill CEO Josh Gruss says he saw much the same when bidding against Mercuriadis in 2020 for the catalog of Richie Sambora, the former Bon Jovi guitarist and co-composer of *Livin' on a Prayer* and *Wanted Dead or Alive*. "I really wanted the Richie Sambora deal," Gruss says. "I love Bon Jovi." Yet each time he called Sambora's attorney with an offer, he says, Mercuriadis topped it. When Mercuriadis beat Round Hill's offer of 21 times the catalog's earnings, Gruss decided to keep bidding to see how high his competitor would go. "It got to 27 or 28, until I stopped playing that game," he says. "He really didn't care what it cost." In an email, Sambora, whom Mercuriadis now manages, said he sold to Hipgnosis not for its bid–which he said wasn't the highest–but for his kinship with Mercuriadis: He "had a strong idea of where Bon Jovi and my songs with them fit into the history of music."

Mercuriadis disputes Gruss' account of the transaction and bristles at the notion that Hipgnosis ever overpaid for anything. He says that there were many times when he wasn't the highest bidder on deals and that each one was vetted by the Family's internal investment team while he negotiated it, and then submitted to independent valuation firms before being presented to the fund's board for final approval. It wasn't unusual, according to Mercuriadis, for either the valuation firms or the board led by Chairman Andrew Sutch not to sign off if they were uncomfortable with the amounts. Members of the former Hipgnosis board said through a spokesperson that there were "extremely strong checks and balances in place."

Former employees of the Family recall the situation differently. The management company was based in London, and early on, its staff was skeletal. Some employees didn't see much of Mercuriadis, who they say operated for the most part out of Los Angeles, and even less of his three daughters. Two former Family executives, who declined to be identified because they feared retaliation from their former boss, say that its employees struggled to keep up with the flow of deals and that the investment team knew that if they didn't sign off on Mercuriadis' numbers, they'd receive angry emails from him. They say that the valuation firms didn't push back, either, and that the fund's directors were largely supine. "Merck dominated the board when it came to deals," one of these executives says. "There was never any discussion about them." (Mercuriadis says this is the sort of thing you'd expect disgruntled ex-employees to say.)

Hipgnosis' largest competitors–Universal, Sony and Warner–remained on the sidelines for a while, some of their top executives making thinly veiled references to newcomers who were driving up catalog prices regardless of the financial risks that might be involved. But eventually it became clear that if they wanted to keep their marquee songwriters in-house, they'd have to offer similar sums. In late 2020, Universal made headlines by purchasing the Bob Dylan catalog. The following year, Sony paid a reported $250 million for the works of Paul Simon and $500 million for Bruce Springsteen's compositional and recorded music. ■

JOURNEY
DON'T STOP BELIEVIN'
EURYTHMICS
SWEET DREAMS are made of this
B/W I COULD GIVE YOU – a mirror –
BON JOVI
Livin' On A Prayer

▲ Mercuriadis cut deals worth hundreds of millions of dollars to purchase the rights to 65,413 songs, including tracks from Journey, Eurythmics and Bon Jovi albums

JOURNEY: COLUMBIA RECORDS. EURYTHMICS: RCA RECORDS. BON JOVI: MERCURY RECORDS

Not everybody was comfortable with the numbers Hipgnosis was assigning to catalogs. In 2021, Sachin Saggar, then an analyst at Stifel Financial Corp., downgraded the fund's shares after noticing its penchant for immediately marking up catalogs in value after closings, even though, he argued, it had nothing to justify these hikes. He says this enabled Hipgnosis to issue more shares and buy more songs. "You could go to your investors and say, 'Hey, look at what a great job I'm doing. Give me more money,'" Saggar says. As far as he was concerned, this was a sign that something was amiss at Hipgnosis.

MERCURIADIS DISMISSED SAGGAR'S CRITIQUE at the time as "almost hysterical." If anything, he says now, Saggar's reports were little more than a campaign by Stifel to cozy up to one of Hipgnosis' competitors. "His version of the truth serves his purpose," Mercuriadis says. (Saggar says he stands by his research; Stifel declined to comment.)

As long as Hipgnosis' shares continued to rise, Mercuriadis could afford to make light of his skeptics. He told investors he had "an enviable pipeline of deals" worth more than a billion pounds. He'd signed multiple letters of intent with songwriters promising to buy their catalogs, due diligence permitting. That kept them tied up and unable to do business with his competitors.

Numerous people in the industry, however, say that in 2021, Mercuriadis began having trouble completing many of those transactions. "People would call me about that too," says Mark Stewart. "You know, 'Hey, can you call Merck? I'm trying to close out.'" Round Hill's Gruss says he heard from unhappy would-be sellers. "We had a lot of deals come to us from that list, people that had been given the runaround by Hipgnosis for, like, a year," he says.

The only reason Mercuriadis says he didn't close "20 or 30" of these deals is that they flunked the due diligence process. However, in September 2021 his catalog-buying spree ended after the fund decided not to issue any more shares in the short term. He says this was no big deal; Hipgnosis was sitting atop of $2 billion worth of tunes, dozens of which had been streamed more than a billion times on Spotify. But perhaps a bit more prudence might have helped. The following year, interest rates spiked, and the fund's annual 5% dividend was no longer as alluring to investors. Hipgnosis shares plunged, essentially cutting off its main source of deal-making currency.

Mercuriadis wasn't out of options yet. In October 2021, flanked by one of his celebrity advisers, Dave Stewart, he signed his agreement with Blackstone to create a private catalog investment fund with a mission similar to Hipgnosis' that would also be Family-managed. It appeared to be a sweet transaction for Hipgnosis' founder. Blackstone acquired a 51% interest in the management firm in a deal that valued it at more than $100 million. Since Mercuriadis owned about 60% of the Family, he was now much richer and still the firm's CEO.

It wasn't clear that Blackstone fully grasped what it was getting into with the Family. A former Family executive recalls a meeting in which someone from Blackstone asked what the culture at the management company was like. "Why don't you ask the chief culture officer," the Family executive replied, referring to Mercuriadis' daughter Rosa, who held the title of chief creative, marketing and culture officer. The executive recalls puzzled Blackstone people saying they hadn't been able to figure out what Rosa did. Employees at the management company say they'd never been able to get to the bottom of that either. (Mercuriadis says his daughters did "a great job" and Rosa's duties were no secret. Blackstone declined to comment.)

Mercuriadis was now doing double duty, advising a public fund and a private fund. Technically the public fund was on equal footing with the private one and entitled to invest as much as 20% in any deals Blackstone and Mercuriadis consummated. But since the public company was no longer an acquirer, all the deals Mercuriadis negotiated now went to the Blackstone-backed fund. In 2022 they included deals with country star Kenny Chesney, the Leonard Cohen estate, and pop stars Justin Timberlake and Justin Bieber, who were also songwriters.

The names were big, but the number of deals was small compared with previous years at Hipgnosis. "I think what happened was Blackstone went through the pipeline and just realized that the valuations to which he'd agreed were too high," says Stifel's Saggar. "So they didn't actually acquire anywhere near the amount they thought they would." Mercuriadis disagrees. He says in terms of dollar amounts that the deals he did through the Blackstone-supported fund were bigger than those he'd done before. Meanwhile, the public fund's investors were watching unhappily as their Hipgnosis shares withered. They grew only more exasperated after noticing Mercuriadis had purchased a $12 million mansion in the Hollywood Hills that came with a gym, an infinity pool, a screening room and a wine cellar.

Other investors smelled opportunity. Tom Treanor, executive director of Asset Value Investors Ltd., a London-based activist firm, saw a disconnect between the value of Hipgnosis' shares and what the fund was probably worth. According to Hipgnosis' bylaws, investors would have the opportunity in October 2023 to vote on whether to continue the fund in its current form or wind it down and sell off its assets. "We thought that was a key inflection point," Treanor says. So AVI bought up Hipgnosis shares and began stoking an investor rebellion.

Hipgnosis tried to head off the insurrection by announcing in September that it had approved a plan to sell 29 of the fund's 149 catalogs, including the works of Barry Manilow, Rick James and The-Dream, for $440 million to buy back shares and pay down debt. The transaction called for unloading these assets at a 17.5% discount to what they'd previously been valued. The prospective buyer: the Blackstone-controlled private fund.

Mercuriadis says the plan was crafted with plenty of shareholder input. Other investors, however, denounced it as a sweetheart deal. Sutch, the fund's chairman, said he would be bowing out, as did Andrew Wilkinson, head of the board's audit committee, and soon Hipgnosis said it was suspending dividend payments to avoid breaching its debt covenants. In October, shareholders, led by Treanor, overwhelmingly ▶

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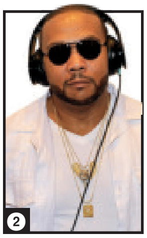
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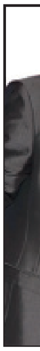

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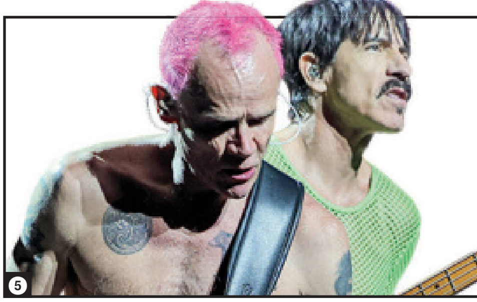
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◀ voted not to continue Hipgnosis in its current form, spurring the board to appoint new members who they believed to be more suitable. The choice for chairman was Rob Naylor, former chairman of Hipgnosis competitor Round Hill, who'd recently overseen the successful sale of that company's public fund for about $600 million. (Round Hill continues to operate several privately held funds.)

The new board members set out to provide more transparency to investors. The fund published a list of how well Hipgnosis' top 55 catalogs were performing. It turned out some of those with the fastest-growing revenue had previously been on the list to be offloaded to the Blackstone fund. The challenge now for Naylor and the rest of the board was what to do about Mercuriadis. The Hipgnosis founder says he had an option to buy the fund if investors fired him. All he had to do was beat any reasonable offer. He had Blackstone behind him. Why should any other potential buyers spend millions of dollars on due diligence if Mercuriadis and Blackstone could top their offer by a penny and walk away with Hipgnosis' songs?

Mercuriadis played diplomat, saying he was willing to waive his option as long as the board kept him on as the fund's investment adviser. For Naylor and the other directors, this was out of the question. In January 2024 they called an "extraordinary general meeting" in which shareholders voted almost unanimously to provide prospective bidders with a $25 million fee to cover their due diligence costs. That way they wouldn't take a financial hit if they lost out to Mercuriadis and Blackstone.

Meanwhile, the board continued to discover unflattering information about the way Hipgnosis was managed by its founder. The most scathing accusations could be found in a March 2024 report on Hipgnosis by Shot Tower Capital LLC, a US investment bank hired by the board. Shot Tower cut the worth of the Hipgnosis' holdings by 25%, saying that its management company had overstated revenue and earnings and that it had failed to put adequate systems in place to collect royalties. The report also noted that Hipgnosis had frequently stated in public disclosures that it owned 100% of catalogs when in many cases it had purchased only revenue streams, which is a bit like being entitled to rent from a building but not owning the actual real estate. It meant Hipgnosis didn't have the right to negotiate TV and ad deals for these songs.

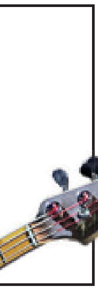
Mercuriadis calls the Shot Tower report a hatchet job commissioned by the board to tarnish his name, enabling its activist supporters to cheaply scoop up more Hipgnosis shares unloaded by its longtime investors, who were now fleeing. (If so, it seems to have fallen flat. The fund's stock spiked as reports circulated that other companies were gearing up to bid for Hipgnosis.) He also says Shot Tower managing partner David Dunn knows full well that Hipgnosis didn't overpay for catalogs because Dunn himself is an adviser to the late James Brown's estate and had tried to get him to buy the legendary soul singer's catalog at a price he couldn't afford. "He has firsthand knowledge that we're almost never the high bid," Mercuriadis says. (Naylor declined to comment; Dunn says he stands by his report.)

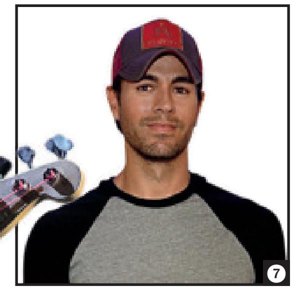
The board also brought to light new information about a lawsuit filed in London's High Court by two of Mercuriadis' former business partners who'd accused him of stealing the idea of Hipgnosis from them in 2017. One was Aeon "Step" Manahan, a producer and onetime Christina Aguilera collaborator. The other was Afram Gergeo, a Swedish fund manager who in 2021 was convicted for his involvement in one of the country's most notorious pension-fraud schemes. No, you couldn't make it up, but the board now disclosed that the pair had obtained litigation financing to come after Mercuriadis and Hipgnosis. Mercuriadis says the suit is nonsense, but when the board asked him to indemnify it from any losses from the case, he refused. Mercuriadis says the board's disclosures about the case were simply more attempts to smear him.

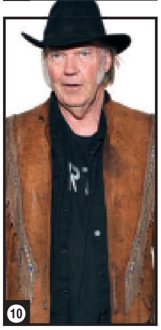
There were signs that the battle was taking its toll on Mercuriadis. Fearing he was becoming a distraction, he stepped down as the management company's CEO, even though he remained chairman. In April, Concord, a music company backed by investment giant Apollo Global Management Inc., submitted an offer for Hipgnosis, and a bidding war ensued between the fund's new suitor and Blackstone. That was fine with shareholders. They didn't mind if Blackstone ended up with Hipgnosis—they just didn't want to give it away at a discount, as they feared Mercuriadis might try to do. In July, investors approved the sale of Hipgnosis for close to $2.2 billion to Blackstone. Shortly after, the management company announced Mercuriadis was stepping down, ending his relationship with Hipgnosis. He was no doubt millions of dollars richer but, once again, sidelined.

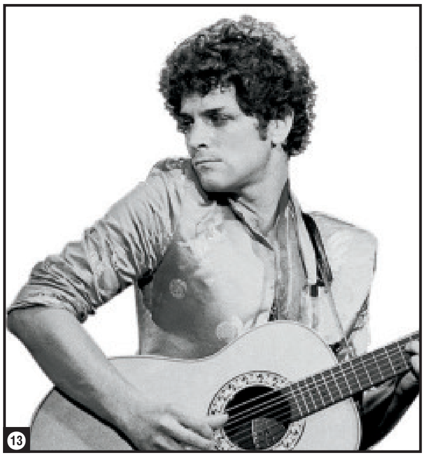
MERCURIADIS SAYS HE WAS VINDICATED BY THE price Blackstone paid for Hipgnosis, pointing out it's the same amount spent by the fund on catalogs under his leadership, proving it didn't overpay for them. He says he was further vindicated in November after Blackstone had Hipgnosis'

■ PHOTOS: GETTY IMAGES (13)









◀ Musicians and songwriters who either sold their catalogs to or hobnobbed with Mercuriadis: ① Richie Sambora ② Timbaland ③ Post Malone, Mercuriadis, Sambora and Tayla Parx ④ Blondie ⑤ Red Hot Chili Peppers ⑥ Nile Rodgers, Shakira and Mercuriadis ⑦ Enrique Iglesias ⑧ Mark Ronson ⑨ Barry Manilow ⑩ Neil Young ⑪ Eurythmics' Dave Stewart ⑫ The-Dream ⑬ Fleetwood Mac's Lindsey Buckingham

catalog portfolio independently valued. It had been only four months since its purchase, but the catalogs were now said to be worth even more: almost $2.4 billion.

Some say the market for catalogs has cooled, especially now that Mercuriadis is no longer a player. According to a recent Shot Tower report, valuations of music-publishing deals have been generally flat since 2021. But the huge ones continue. Sony paid approximately $1 billion for Queen's catalog as well as name-and-likeness and merchandising rights in 2024 and, more recently, $400 million for the recorded music and name-and-likeness rights of Pink Floyd. "There is no price as far as I'm concerned for Pink Floyd," Sony Music Group Chairman Rob Stringer said in an interview last fall at the Bloomberg Screentime conference in Los Angeles. "What price is a Picasso?" It sounded like something Mercuriadis might say.

Letting go hasn't been easy for the Hipgnosis founder. These days, when he isn't defending himself in the lawsuit filed by his two former partners, he's managing a number of artists, most notably Sambora. Mercuriadis says he's still close to many of the musicians he persuaded to sell their catalogs to him. "I speak to them every day," he says. "They all want to know whether I think they should do something or say yes to something or not."

Pop-producer-DJ Mark Ronson says he's in frequent contact with Mercuriadis. "I'm probably closer to [Merck] now than before I did the deal." Eurythmics' Stewart says he can't imagine Hipgnosis without its founder. "I think all of the artists who signed probably still talk to Merck," he says. "It's not like Blackstone is a whiz with knowing about songwriting, and they're suddenly going to go call me up, and say, 'Hey, Dave, just had a great idea.' "

Mark Stewart, the music manager, says this is exactly the outcome he warns all the songwriters he manages to expect when they sell their catalogs. "Look, when you do a transition like this, you have to let go," he says. "Because it's going to get real corporate. This is not some kumbaya moment with music and guitars. This is an asset. It's going to be traded and sold 50 million times. So when you let it go, you need to be happy with the cash."

Blackstone is publicly optimistic about owning hits by artists such as The-Dream and Shakira. But Hipgnosis took off when streaming was rapidly scaling up, and now growth has slowed. There's talk in the industry of a new Spotify tier geared toward superfans offering ticket sales and limited-edition vinyl, but it's hard to see this becoming a boon for catalog owners. Even so, money continues to pour into the asset class that Mercuriadis popularized. In March, Pophouse Entertainment Group AB, a Swedish investment firm co-founded by ABBA's Björn Ulvaeus, said it had raised more than $1 billion for a fund going after music rights deals. In the private equity tradition, Blackstone could probably always flip the songs it owns to another buyer.

Blackstone has also seemingly tried to distance itself from its former business partner, consolidating Hipgnosis' assets along with the management firm once known as the Family into a single company known as Recognition Music Group. But according to Sambora, Mercuriadis isn't finished—he's hoping to repurchase Hipgnosis' multibillion-dollar song collection in the next few years. "Merck has a desire and a plan to one day buy the catalogs back and reunite all the songwriters, and if anyone can pull that off, he can," Sambora said in an email, which Mercuriadis forwarded to *Businessweek*. Mercuriadis says of his former partner Blackstone: "If and when they are ready to sell, I too will be ready."

Music industry commentator Lefsetz says he still gets calls from Mercuriadis, whom he calls a "nice guy." But Lefsetz doesn't see him doing anything like Hipgnosis anytime soon. "Can he open a record store?" he asks. "Sure. Can he start a label? Sure. Can he get significant money to operate in the music business? Absolutely not." Ⓑ —*With Dasha Afanasieva, Jonas Ekblom and Lucas Shaw*

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THE MAN MELTDOWN

LOOK AROUND: MASCULINITY IS BACK IN FASHION AND AT THE PINNACLE OF GLOBAL FINANCE, POLITICS AND CULTURE, EPITOMIZED BY THE “MANOSPHERE” THAT HELPED ELECT DONALD TRUMP AND HAS PROPELLED OTHER ASPIRING ALPHA MALES TO POWER AND PROMINENCE. BUT MEN (AND BOYS) ARE STILL DEEPLY TROUBLED ABOUT THEIR PLACE IN THE WORLD.

■ ILLUSTRATION BY DEREK ABELLA ■ CUSTOM TYPOGRAPHY BY SOFIA CLAUSSE

WHAT MAKES A MAN?

FROM THE OVAL OFFICE TO ONLINE SPACES, HYPERAGGRESSIVE MANHOOD IS ASCENDANT. BUT THE IMPULSES DRAWING YOUNG MEN TO THE MANOSPHERE SUGGEST THEY'RE AFTER SOMETHING ELSE

—— BY RACHEL GIESE

—— PHOTOGRAPH BY ADRIÁN CUERDO

THE SECOND TRUMP ADMINISTRATION'S agenda to date has been, in a word, masculinist. The president and his officials have threatened abortion and birth control access, ushered through appointments of arguably unqualified men to high-profile positions (including some who've been accused of abuse), and restricted the use of words including "gender," "racism," "trans," "equity," "Bipoc" and even "women." There's been the suggestion of annexing sovereign nations, the start of a global trade war, a push to ban transgender people from military service and a pronatalist call from the vice president for "more babies in the United States of America."

And yet, Trump and the men in his inner circle—Elon Musk, JD Vance, Marco Rubio, Pete Hegseth and the rest—don't themselves recall traditional American masculine archetypes. The old-school conservatism of John McCain and Ronald Reagan evoked taciturn sheriffs fighting outlaws, corn-fed soldiers running into enemy fire to save their platoon, stern paterfamilias

PHYSIQUE
PICTORIAL

PROP STYLIST: VICTOR LOPEZ

providing for their wives and children. Although these values could be patronizing and oppressive, they also carried a sense of dignity, honor and accountability—an expectation that men should stand up to bullies, speak the truth, protect their communities and take responsibility for their actions.

Those attitudes seem to have been replaced by a new kind of manhood, a chaotic one, borne of the vast online space known as the manosphere. During his campaign, Trump cannily courted the online heroes of young men: Joe Rogan, the Nelk Boys, Logan and Jake Paul, Adin Ross. Clips circulated of Tucker Carlson referring to Trump, bizarrely, as "daddy" and to America as a "bad little girl" due for a "vigorous spanking." Trump's manly man bona fides were reinforced by the viral image of him raising his fist defiantly after being shot at by a sniper. Not for nothing, his 20-year-old male shooter was later described variously as confused and lonely, and he was said to have been bullied in high school—characteristics common in boys who spend a lot of time in online spaces.

Masculinity that's rooted in macho posturing and dependent on approval from alpha men is always fragile. It entails constant jockeying for position and esteem and submission to power. It's not a stable, adult identity, but a childish and volatile one. Trump runs the world but struggles to manage his own emotional outbursts. His political inner circle bows to his whims, then turns to prosecute them aggressively. Male executives, many of whom wield outsize influence on how we connect and communicate, have followed Trump's lead, shedding past commitments to more inclusive values in keeping with the president's anti-DEI campaign. When Mark Zuckerberg, Meta Platforms Inc.'s newly buff

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← chief executive officer, appeared on Rogan's podcast and declared that society and corporations had been "neutered" and gotten away from "masculine energy," and that it would be good if culture "celebrates the aggression a bit more," he was widely mocked; many suspected that Trump had threatened him into compliance.

An insecure model of masculinity isn't necessarily what young men must aspire to. There remain alternative visions recognizing that masculinity can be expansive and healthy and that gender equality and rights for marginalized people also benefit men and boys by liberating them from norms and expectations limiting their potential and humanity. You can even find them online.

JUST AS THE FIRST TRUMP ERA BEGAN, I published a book called *Boys: What It Means to Become a Man*. I was the mother of a preteen boy and a journalist who'd spent much of my career covering gender issues, but I'd focused largely on girls and women. As I watched my son develop, I became curious about how societal and cultural messages about masculinity were passed on to him and his friends and how those messages shaped their identity, self-esteem and well-being. The term "manosphere" then mostly still referred to the fringes of the internet: 4Chan, porn sites, the dark web. It encompassed people such as Elliott Rodger, the 22-year-old incel who killed six people in California in 2014, leaving behind a YouTube video and a manifesto in which he spoke of his desire to punish women for rejecting him and get even with sexually attractive men he resented. The #MeToo movement that was emerging had transformed conversations about misogynist violence and harassment and sparked some reckoning for high-profile serial abusers such as Harvey Weinstein and Bill Cosby. But it was also being met with a growing backlash and defensiveness. After every fair and valid critique of one man or systemic sexism came a chorus of "Not all men."

Then the pandemic took a generation of young men who were already extremely online and intensified their engagement with social media, apps and streaming and gaming platforms. Isolated at home, they found such spaces even more deeply meaningful as places for connection, distraction and entertainment. By 2023, according to the *State of American Men* report by Equimundo, a nonprofit group that promotes healthy ideas about manhood and works with boys and men to prevent violence, almost half of young men age 18 to 23 were calling their online life more interesting, rewarding and personally influential than their offline one. Two-fifths of those surveyed said they trusted online figures such as Andrew Tate, who spouts misogynist ideas and has been accused of rape, human trafficking and intimate partner violence. (He denies the allegations.)

"THE MANOSPHERE'S INITIAL APPEAL FOR BOYS USUALLY ISN'T HOSTILITY OR RAGE. IT'S A DESIRE FOR CONNECTION, FRIENDSHIP AND BIG-BROTHERLY GUIDANCE ON THINGS LIKE DATING, DEALING WITH FAMILY, FINANCES OR SELF-IMPROVEMENT"

What sets the danger of the manosphere apart from the online spheres of the past is its sharp focus and vast influence. It's become mainstream, reaching young men through a pipeline of algorithms that can lead them from showing a simple interest in self-improvement to consuming evermore misogynist, misleading and conspiracy-laden content. Creators capitalize on algorithms that reward extreme and sensationalized posts, with profits tied to maximizing engagement. The more outrageous the content, the more likely it is to be promoted and shared. The manosphere has also channeled the backlash to #MeToo and "woke" culture.

But its initial appeal for boys, particularly those who are vulnerable and easily influenced, usually isn't hostility or rage. It's a desire for connection, friendship and big-brotherly guidance on things like dating, dealing with family, finances or self-improvement. This idea runs counter to the stereotype that boys are insensitive, prone to aggression and uncomfortable with their emotions. A mountain of empirical research has shown the opposite: They have complex feelings they want to express, and they need friendship just as much as girls. In her 2013 book, *Deep Secrets*, New York University psychologist Niobe Way spoke to hundreds of young men from all kinds of socioeconomic backgrounds and found an intense intimacy among boys and a desire for meaningful friendships. During my own research, while visiting a school assembly, a boy of about 12 asked me how to deal with all his feelings. "I'm afraid," he said, "after pushing them down so far inside me, that I'll never be able to find them again."

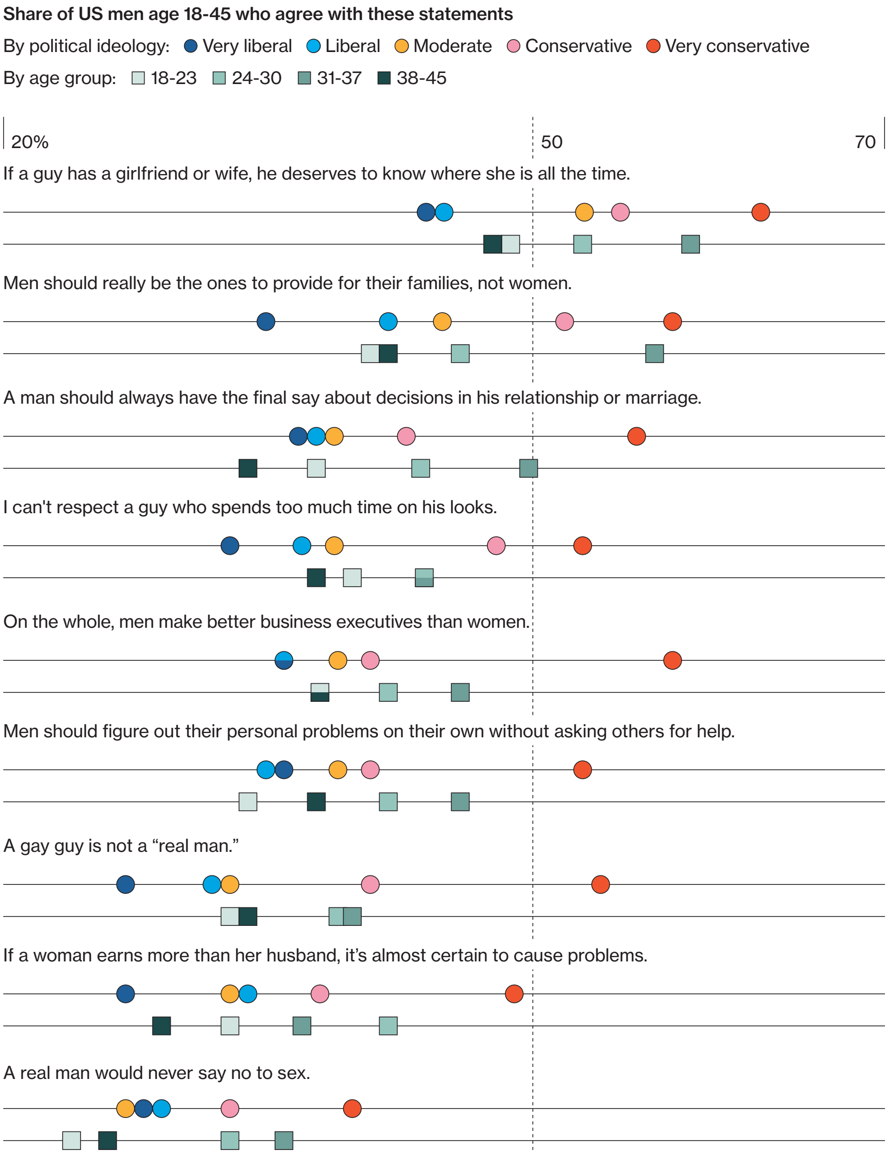
Boys need places of refuge: Parents are burnt out and spending too many hours online themselves. The world is facing a possible recession in the short run and careening toward environmental collapse in the long run. Why wouldn't young people feel despair and seek community and connection where they can find it? Those bonds are particularly difficult for boys to seek out, as old social norms that dismiss boys' feelings, punish them for showing vulnerability and tell them to man up are being re-entrenched in our culture.

For many more young men, digital spaces hold real value in enabling positive connections, giving them opportunities to find friends, interact with family in other countries, watch news and entertainment, organize activist movements, participate in multiplayer gaming, create videos and comment on popular culture. Online spaces also offer young people who are marginalized, such as LGBTQ kids, a lifeline to friends and social support they might not have in their local community. Digital spaces aren't monoliths—nor are all the boys in those spaces consuming misogynist content. Research from the marketing agency Goat found that a quarter of young men in the US follow fashion influencers; almost 30% are into film, theater or acting. A significant number of young men follow women and nonbinary influencers who post on subjects as varied as food, comedy and health.

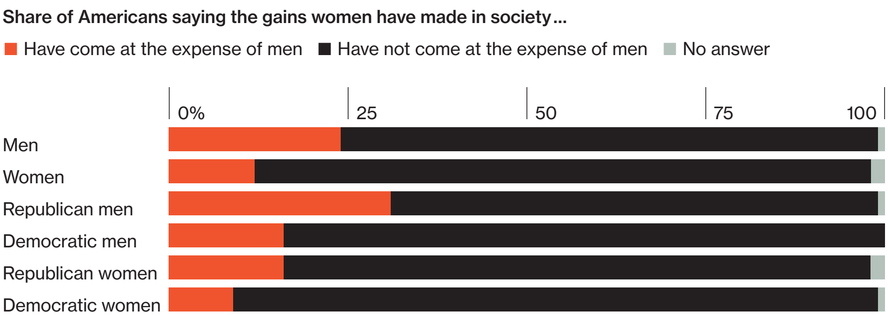
Gender equality isn't a zero-sum game. We can ensure rights and opportunities for young women while also supporting the well-being of young men, without resorting to sweeping moral panic about online culture or drastic measures such as smartphone bans. Insulting and dismissing the spaces that matter to young men will never convince them. Instead, we can try to offer young men things the manosphere promises but doesn't actually provide: care, good advice, connection and real reasons to believe in a positive future for themselves. Ⓑ

HOW YOUNG MEN VIEW WOMEN—AND THEMSELVES

It's no secret that men's views of women differ greatly by demographic—and that Donald Trump's successful courtship of male audiences translated to crucial votes in November. But it might be surprising that many younger and liberal men agree with some of the statements below, reflecting retrograde beliefs about gendered performance at home and work. On the flip side, the majority of men don't seem to blame women for their own problems. Researchers use questions such as these to rank men's position relative to the most restrictive views of masculinity—or how trapped they are inside the "man box." —*Klara Auerbach*



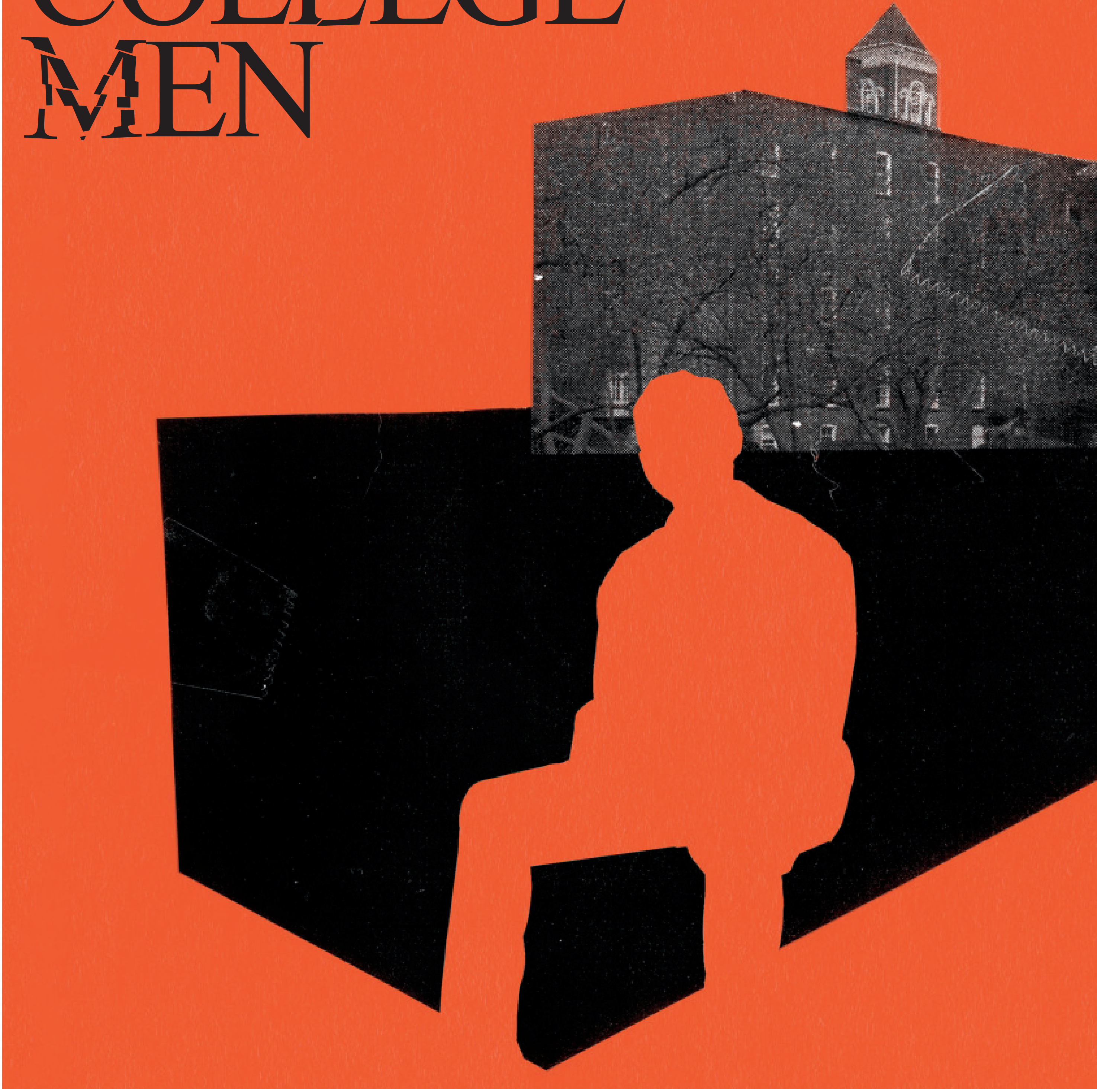
Share of US men age 18-45 who agree with these statements

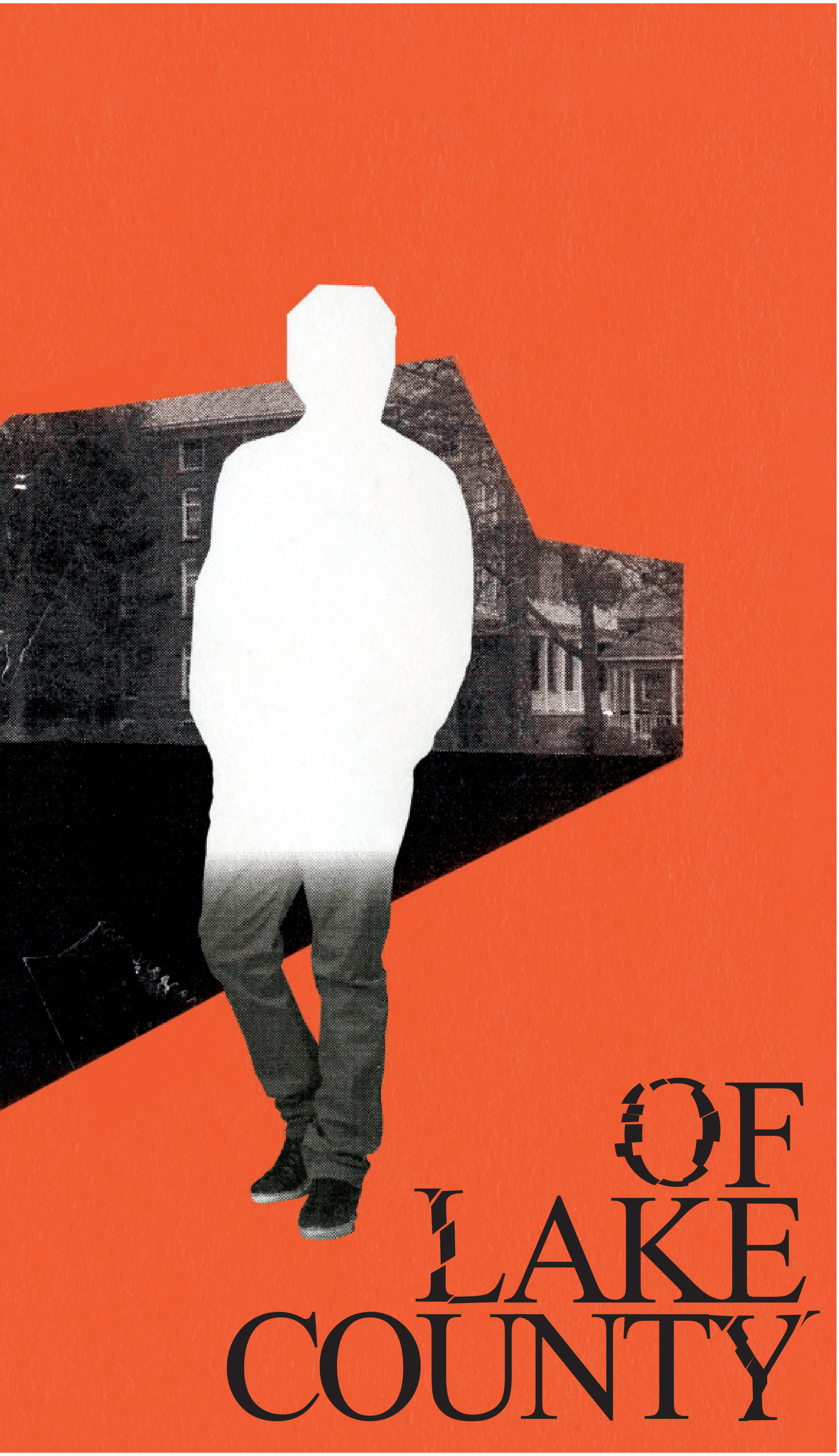


Share of Americans saying the gains women have made in society…

■ DATA: EQUIMUNDO SURVEY CONDUCTED 1/2023; PEW RESEARCH CENTER SURVEY CONDUCTED 9/2024

THE VANISHING COLLEGE MEN





OF LAKE COUNTY

RISING TUITION, THE SPREAD OF MORE TRADITIONAL IDEAS OF MASCULINITY ON SOCIAL MEDIA AND A DESIRE FOR AN IMMEDIATE INCOME ARE WORKING TOGETHER TO SET BOYS ON A DIFFERENT PATH

—— BY FRANCESCA MAGLIONE

—— PHOTOGRAPHS BY MADDIE MCGARVEY

CADEN YUCHA'S DAD DIDN'T GO TO college. His uncle didn't either, and they both have jobs. Of his male friends, Yucha doesn't think a single one is enrolling in a four-year program next year when they graduate from high school in Madison, Ohio, 45 minutes east of Cleveland near Lake Erie. Yucha himself considered continuing his education only once, when he briefly mulled whether a degree could fast-track a firefighting career. But he quickly quashed that idea when he realized it would have contributed debt, not income, to his paltry teenage balance sheet. With college off his radar, Yucha, 18, has instead lined up a full-time job at an automotive collision and restyling shop where he says he'll be making a "pretty penny"—$15 an hour. He's already saving up to buy his dream car, a 2013 Scion FR-S.

"It doesn't sound like a lot, but I have done the math already, and I will be making upwards of a grand every other week, which is not bad fresh out of high school," he says, before returning to pulling dents out of a white Chrysler at a career technical school, where he's been taking afternoon classes on collision repair. College seems like a "lot →

■ PHOTO ILLUSTRATION BY NAJEEBAH AL-GHADBAN; PHOTOS: GETTY IMAGES (2); MADDIE MCGARVEY

← of money," he says, "when I can get the same education for free."

Does Yucha know anyone with college under their belt? Sure: His mom enrolled, and so did his two aunts. Even his girlfriend is planning to continue her education, to study nursing. But no men. It's a trend playing out across the US—students ending school after 12th grade are mostly boys—but perhaps nowhere is the sharp drop in male enrollment more apparent than here in Lake County.

In this corner of the Midwest—where the median household income is $78,000 and the largest city is 47,000-strong Mentor—the share of men age 18-24 enrolled in college dropped by more than 15 percentage points in the decade through 2023, the biggest decline in any large county in the US. The average slide, by comparison, was about 3 percentage points. In 2013 half of the young men in Lake County were enrolled in college; 10 years later, that number was only 1 in 3, according to a *Bloomberg Businessweek* analysis of US Census Bureau data.

Men opting out of college isn't a new phenomenon: Women have outnumbered men in undergraduate enrollment for about 40 years, and the gap continues to widen. Almost half of women age 25-34 have earned a bachelor's degree, according to Pew Research Center data; for men the rate is 37%. Between 2011 and 2022, the number of Americans attending college dropped by 1.2 million, with men accounting for almost the entirety of that drop.

As US men forgo higher education, the demographic group as a whole has lost ground in other areas too. Working-class men today are less likely to be employed than they were four decades ago, their inflation-adjusted wages have barely budged in more than 50 years, they're less prone to get married or have children, and an increasing number report having no close friends. Men are also four times more likely than women to die by suicide. Data show that men age 18-30 spent an average of 6.6 nonsleeping hours alone each day in 2023, 18% more than they did in 2019 and over an hour more than women

— MADISON HIGH SCHOOL SENIOR YUCHA, 18, WHO'S TAKING A COLLISION REPAIR CLASS AT THE AUBURN CAREER CENTER IN CONCORD TOWNSHIP, HAS LINED UP A FULL-TIME JOB AT A RESTYLING AND REPAIR SHOP did, according to a report by the Aspen Economic Strategy Group.

Those widening gaps have spurred countless think pieces on the way the US has failed its struggling men and boys. Not all of that gulf can be attributed to higher education, but it's surely a factor: Men with a college degree or higher still earn roughly 200% of what men without a diploma do, census data show. Money can't buy happiness, but it sure helps with financial stability.

Why, then, are so many boys opting out? Many cite exorbitant costs. At the Ivy League schools, the sticker price is almost $100,000 a year, and even a public in-state education will set a student back about $25,000 annually, College Board data show. Those costs also disadvantage lower-income women and girls, but it's boys and men who are more often taught (consciously or not) the value of starting to collect a paycheck as soon as possible.

That's the case in teacher Rita Soeder's "internship class" at Perry High School in Lake County, where only one or two of the four senior boys plan to attend college. Others are gunning to begin a career, aiming to get a jump-start on building wealth while dodging student loans.

There's nothing wrong with getting a blue-collar job, Soeder is quick to point out: She just wants students to be aware of their options, whether that includes a four-year degree or not. Her school, for instance, is working with colleges in the area to turn some of the classrooms left empty because of dwindling enrollment into labs where students can take classes toward careers in welding, nursing or other fields. At Mentor High School, the biggest in the county, more than 40% of the juniors and seniors are taking at least some career tech courses, such as automotive or public safety.

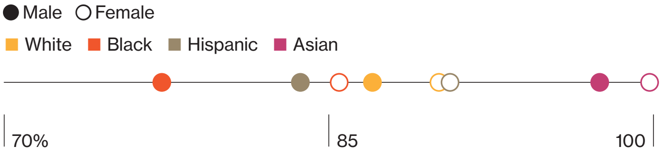
If more young men in Lake County aren't enrolling in college, it's "by collective design," says Joseph Glavan, the director of workforce development at Mentor Schools and Lakeland Community College. "What we have seen is—based on the demand of students, families and employers—they are looking for more direct workforce options."

There's wisdom to that plan, especially in a county with a significant blue-collar population. Large swaths of the country have transitioned away from manufacturing—something President Donald Trump is angling to reverse with his second trade war—but Lake County is holding on, or at least trying to. It's still home to hundreds of active fabricators and factories. →

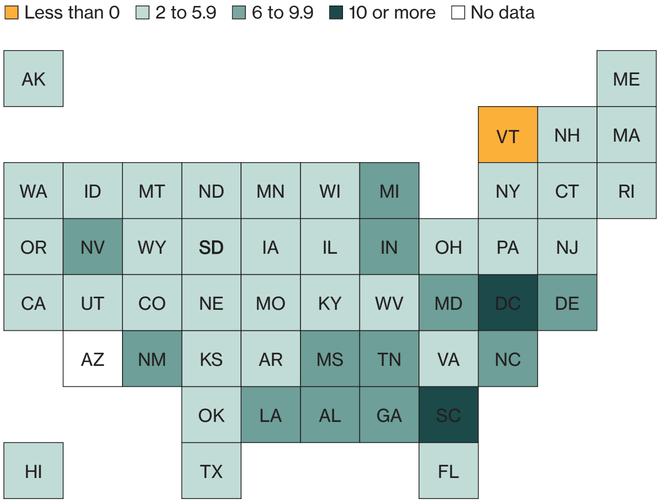
BEHIND IN THE CLASSROOM

Men falling behind women doesn't begin in college classrooms. According to a Brookings Institution report, the average US boy at age 5 is 16 percentage points less likely to be school-ready—a gap that persists over the course of their education. Researcher Richard Reeves presents evidence in his 2022 book, *Of Boys and Men,* that this disparity can be linked to boys' brains developing more slowly, "especially during the most critical years of secondary education." He suggests a positive reform would be to "redshirt" boys. In other words, give them an extra year of pre-K before starting them in school. Despite the growing bias toward girls in the education system, there continues to be a bias toward men in the office. —*Klara Auerbach*

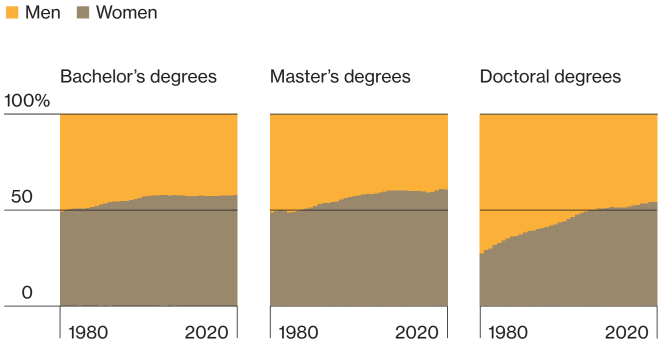
US public high school graduation rate in 2023, by race



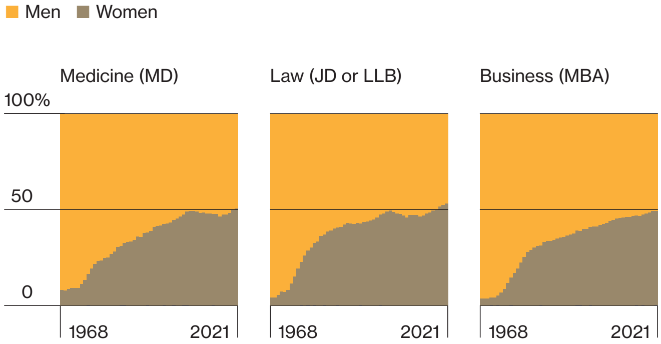
Difference between girls' and boys' public high school graduation rate in 2023, in percentage points



Share of degrees awarded by postsecondary institutions in the US



Share of professional degrees awarded in the US



■ GRAPHIC SHOWS AVERAGE FRESHMAN GRADUATION RATE, WHICH IS THE NUMBER OF DIPLOMAS GRANTED IN A YEAR DIVIDED BY THE AVERAGE ENROLLMENT ACROSS THE CORRESPONDING 8TH, 9TH AND 10TH GRADE CLASSES. ACADEMIC YEARS ARE SHOWN BY END DATE. DATA: NATIONAL CENTER FOR EDUCATION STATISTICS

— DAVID PRICE, HEAD FOOTBALL COACH AT LAKE ERIE COLLEGE IN PAINESVILLE, OHIO, HAS HELPED LIFT PREVIOUSLY ABYSMAL RETENTION RATES FOR STUDENTS ON THE TEAM

← Ohio is third in the nation in total manufacturing employees, just behind California and Texas.

But some male students appear to be heading down that path on little more than vibes. “I hear a lot online about people saying in the trades you’ll earn money while you’re training and there’s more guarantee, so it makes it seem safer,” says one of the students in Soeder’s class, who asked not to be named.

He isn’t the only person collecting insights and advice from strangers on the internet. Almost 20% of boys age 13-17 say they use YouTube almost constantly, according to a Pew Research study. Online, the argument against college has never been stronger, especially among supporters of Trump—a University of Pennsylvania graduate—who’s claimed that colleges are “indoctrinating” students.

Similar messaging has come from activists such as Charlie Kirk, who traveled to more than two dozen colleges before the 2024 election on what he called the “You’re Being Brainwashed Tour,” to try to get more members of Generation Z to cast a vote for Trump. Almost one-third of US adults said they have little or no confidence in higher education, according to a Gallup Poll conducted in June 2024—before Trump’s latest tirades against academia. In 2020, 41% of young men age 18-29 voted for Trump; that number jumped to 56% in the 2024 election.

“I think social media is a big factor,” another student from Perry High School says when asked how boys like him are making post-high-school choices. “You see a lot of influencers saying you don’t need to go to college, and when people see that, they listen.”

Plenty of men nearby have made similar choices, including George Wilson, 50, who opted for a job over a degree when he graduated from an Ohio high school more than three decades ago. He briefly enrolled as an undergrad, then transferred to a different school, then ultimately dropped out. “Mentally, I wasn’t ready for it,” he says. “I didn’t see the benefit of it at the time, and I just continued to work. I wanted a regular, steady job where I could make money.” He spent his career manufacturing blades for airplane turbine engines at Precision Castparts Corp. in Mentor; today he operates a robot there on the overnight shift. Trade work has been good to him, he says. His wife was able to get two degrees, and his job allowed him to be a hands-on father. Both of his daughters went to college; his son went into the military.

Still, successes aside, he recently decided he wanted to go to college after all, decades after his first attempt. So he enrolled at Lakeland Community College for an associate degree, then switched to Cleveland State University, where he’s pursuing a degree in organizational leadership. He says he wants to become a teacher, something

> “YOU SEE A LOT OF INFLUENCERS SAYING YOU DON’T NEED TO GO TO COLLEGE, AND WHEN PEOPLE SEE THAT, THEY LISTEN”

that would come as a surprise to his younger self. “I didn’t realize that I would like learning,” he says, “and I would like education.”

Returning Gen X students such as Wilson won’t be enough to keep higher ed afloat. When Jennifer Schuller became president in 2023 of Lake Erie College, the only four-year college in Lake County, the drop in enrollment was palpable: She inherited a $5.6 million deficit. In the previous decade, the student body—which is majority men—had decreased by almost 20%. “It was hurting our bottom line,” she says. She’s made staff and program cuts to bring down the shortfall, while doubling her efforts to retain current students.

The football team was a particular problem; its yearly retention rate was only 46% in the 2023-24 academic year. Recognizing that positive relationships and mentoring can work wonders for struggling students, she quickly hired a new coach. She tapped Tiffin University’s David Price, a charismatic figure who starts asking students important questions—What’s their home life like? Are they prepared to be a student athlete? Do they value getting a degree?—as early as the application process, then makes a point to keep listening.

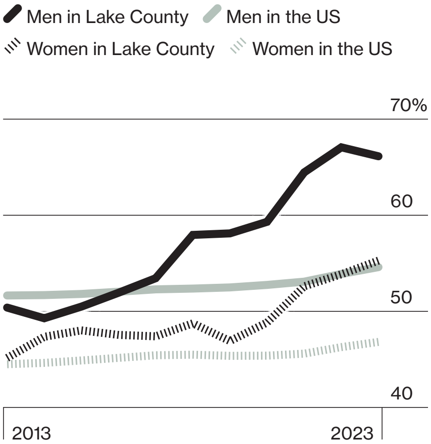
“Our program requires every single person that comes into the fold to be bigger than football,” he says. “Football is an avenue, but our program is based around building a culture and mentoring these young men into men.” Despite building those bonds early, every semester he has to have a conversation with at least one student who’s considering dropping out. But the overall result has been positive: The team’s retention rate has jumped to 85% in only one year.

“There’s so many things that are driving young men out of college,” says Price as he sits in the dining hall, breaking every few minutes to greet a passing student. “I think that a lot of society as a whole has been focused on immediate gratification, rather than looking at the whole picture.”

Liz Brainard, the advisory director for the Lake Geauga Educational Assistance Foundation, a nonprofit that helps students determine their next steps after high school, says she’s noticed in the past couple of years that more of the male students opting out of college are the ones with high GPAs and excellent track records. Their main reason? They’re “bored,” she says. Brainard is supportive of students who want to go into the trades, but she worries some are doing it for the wrong reasons. “I just don’t want students to think, ‘This is a solution to my boredom’ or ‘This is going to solve all of my financial problems’ or ‘This is the easier path,’” she says. “I worry about those students.”

AN AMPLIFIED TREND

Share of US adults age 18-24 not enrolled in college



■ DATA: US CENSUS BUREAU

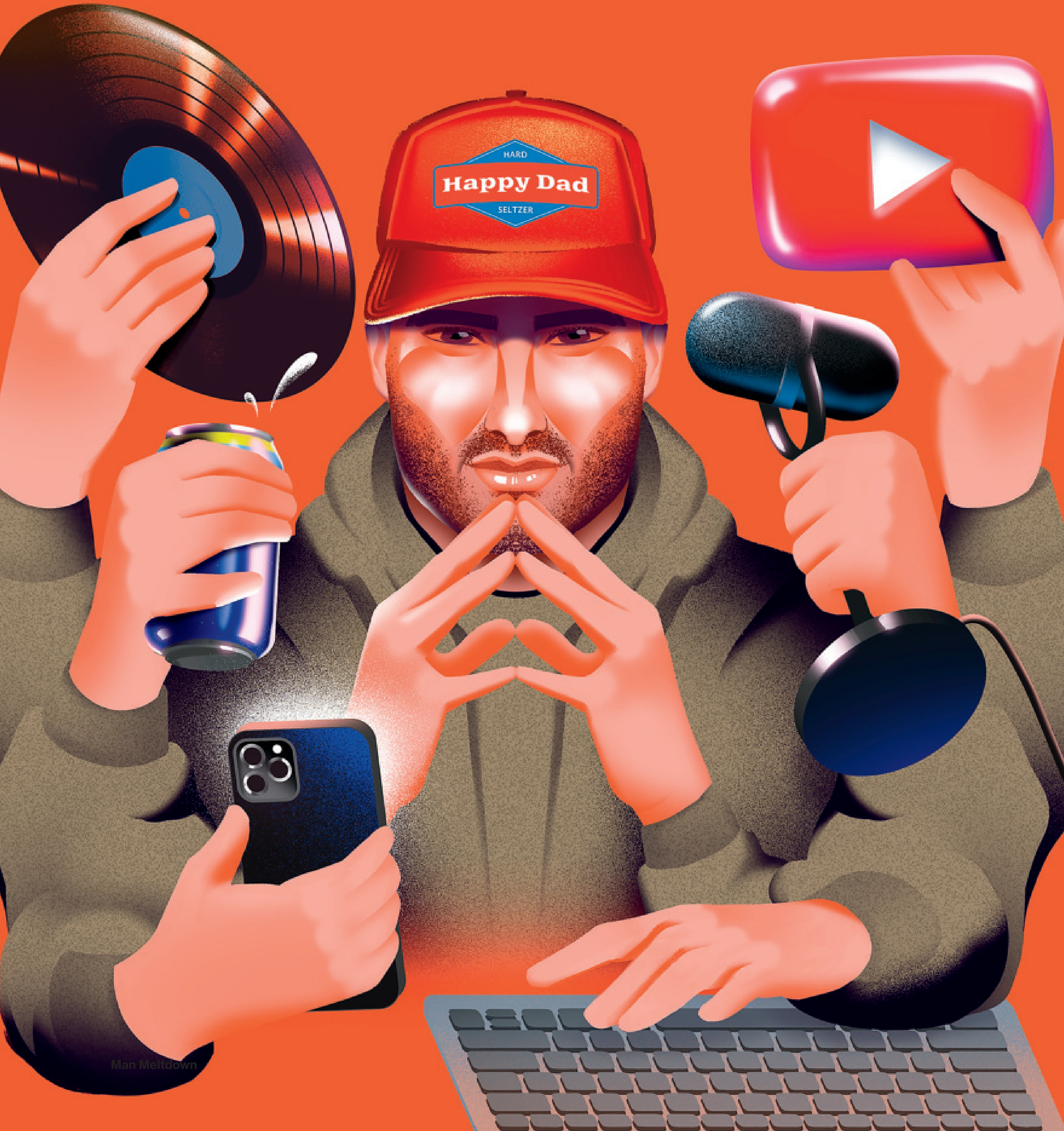
— CLEVELAND STATE UNIVERSITY IS ABOUT 45% MEN AND 55% WOMEN, REFLECTING A TREND PLAYING OUT ACROSS HIGHER EDUCATION

Jayden Owens, for one, celebrated the end of his schooling. The 19-year-old, who graduated from Mentor High School last year, says he and his male friends just “wanted to get after it” once they graduated, meaning start earning the money that would make them feel like adults. “College takes longer. I don’t necessarily want to be in school for that long. I had enough of that in high school,” Owens says before heading into class at the career tech center. “When I got out I was like, ‘Yes, we’re done!’”

He’s now working at a private ambulance company and training to be a paramedic. It brings in money and helps him feel like a man—something that’s important to him after growing up without anyone to show him the “masculine stuff to do.” (His father was out of the picture.) “You want to learn, you want to protect, you want to provide,” Owens says. “For males, they are going into these types of fields because it forces you to be masculine.”

—With Ann Choi

THE MAN BEHIND


HARD
Happy Dad
SELTZER

Man Meltdown

THE MANOSPHERE

IF THERE IS ANY ONE PERSON WHO CONNECTED DONALD TRUMP TO MALE DIGITAL MEDIA, IT'S JOHN SHAHIDI

— BY SARAH FRIER

— ILLUSTRATION BY SIMONE NORONHA

DURING DONALD TRUMP'S FIRST TERM, John Shahidi, then a manager of DJs and pop artists such as Anitta, had a problem. He noticed that when he mentioned his admiration for the president in meetings, people would get quiet. Invitations to certain parties dried up. He started losing clients. "Nobody said, 'Hey, you're a Trump supporter, I'm leaving you,'" he says. "They just left."

Yet even as the rejection stung, personally and professionally, he saw an opportunity. Where was the entertainment for people like him? When the Covid-19 pandemic happened, he and his brother, Sam, left the music industry behind and started the Shots Podcast Network, a collection of creators they could pair advertisers with, focused on YouTube, where the algorithm was rewarding edgy conservative thought and where video podcasts were taking off, especially among men. The Shahidis—Sam usually running operations and product, John in charge of marketing, celebrity relationships and partnerships—were always willing to shake things up to chase the next opportunity. In the early mobile app boom, they were designing apps on behalf of athletes and fighters like Mike Tyson and Floyd Mayweather Jr. Podcasts were their best guess at a big celebrity growth market.

Shahidi's new business partners, the popular YouTube pranksters known as the Nelk Boys, reconnected him with Dana White, the chief executive officer of Ultimate Fighting Championship, who's a close friend of Trump's. White knew Shahidi from his days working with Mayweather, but it wasn't until the pandemic, when White was putting on fights that Shahidi was asking his creators to promote and attend despite lockdowns, that their friendship deepened.

In early 2022, White introduced Trump to Shahidi, and Shahidi encouraged him to try reaching his younger supporters through podcasts. "I told him straight up: 'Young people love you,'" Shahidi says. "'You should focus on your young audience, and we're going to help you do it.'" In March 2022 the Nelk Boys hosted Trump for his first podcast. The conversation got millions of views on its first day, then YouTube pulled it for breaking rules about misinformation, specifically by spreading the lie that Joe Biden didn't win the 2020 presidential election. Being banned was even better for business—by making a splash, which is what Trump cared about most.

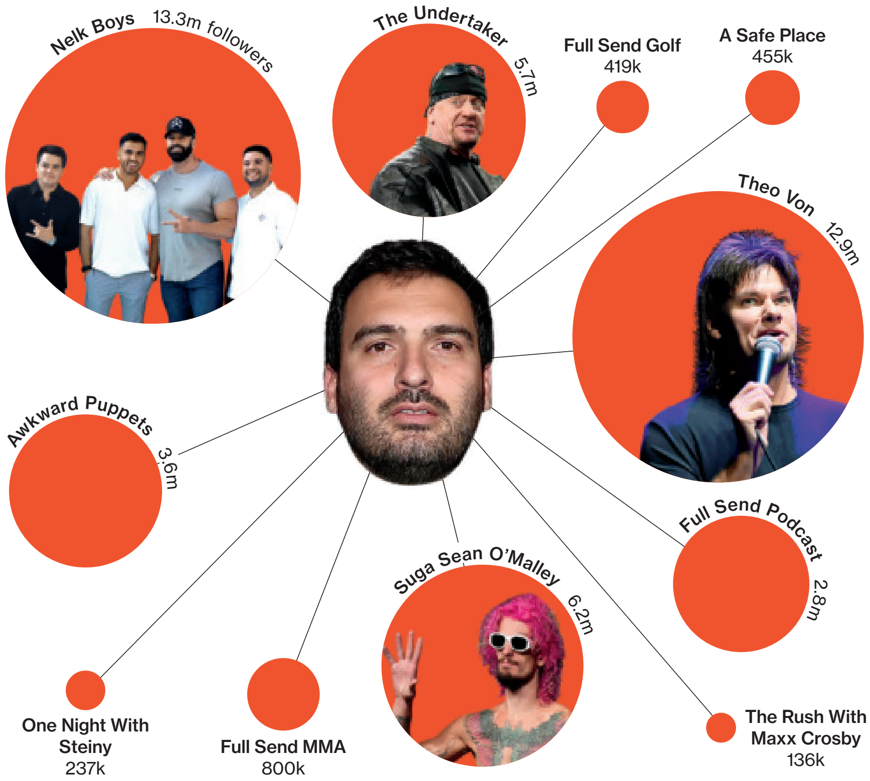
Trump was on Fox News right after it happened, and he reacted on air, comparing Google's move to Russia's censorship of the Ukraine war. After that news cycle, Trump was sold on podcasts. While White bolstered Trump's tough-guy branding by seating him next to rappers and football players at UFC fight nights, Shahidi and the Nelk →

← Boys worked on building Trump's reputation in the "manosphere"—the irreverent part of the internet that celebrates masculinity, frequented by frat boys and bros—a term "only the media uses," Shahidi says.

Trump continued leaning on Shahidi to advise him for the remainder of his 2024 campaign, according to Alex Bruesewitz, who also counsels Trump on working with online influencers. Trump appeared on several other conservative-friendly shows, including ones hosted by Joe Rogan, Adin Ross, Andrew Schulz and Theo Von. Outlets including the *Wall Street Journal* credited Barron Trump for his father's entrée to this world—and Barron indeed advises on his demographic's interests—but it's Shahidi who's actually making the calls to arrange the appearances or finding out who can.

A MAN OF MANY MEN

YouTube, Instagram and Twitter followers of creators working with the Shahidi brothers' Shots Podcast Network



THE SHAHIDI BROTHERS, BORN TO AN Iranian Kurdish family in Southern California and raised by their mother and grandmother, were early makers of mobile apps, designing games and digital fan clubs on behalf of celebrities and athletes. In 2013 they launched the selfie app, which later became Shots Studios, a company supporting digital creators including Jake Paul and specializing in making things go viral. By 2016, John was listening to Hillary Clinton's debates with Trump and said it "felt like tuning into a comedy show—he was so entertaining that I couldn't help but dive deeper into Trump-related content."

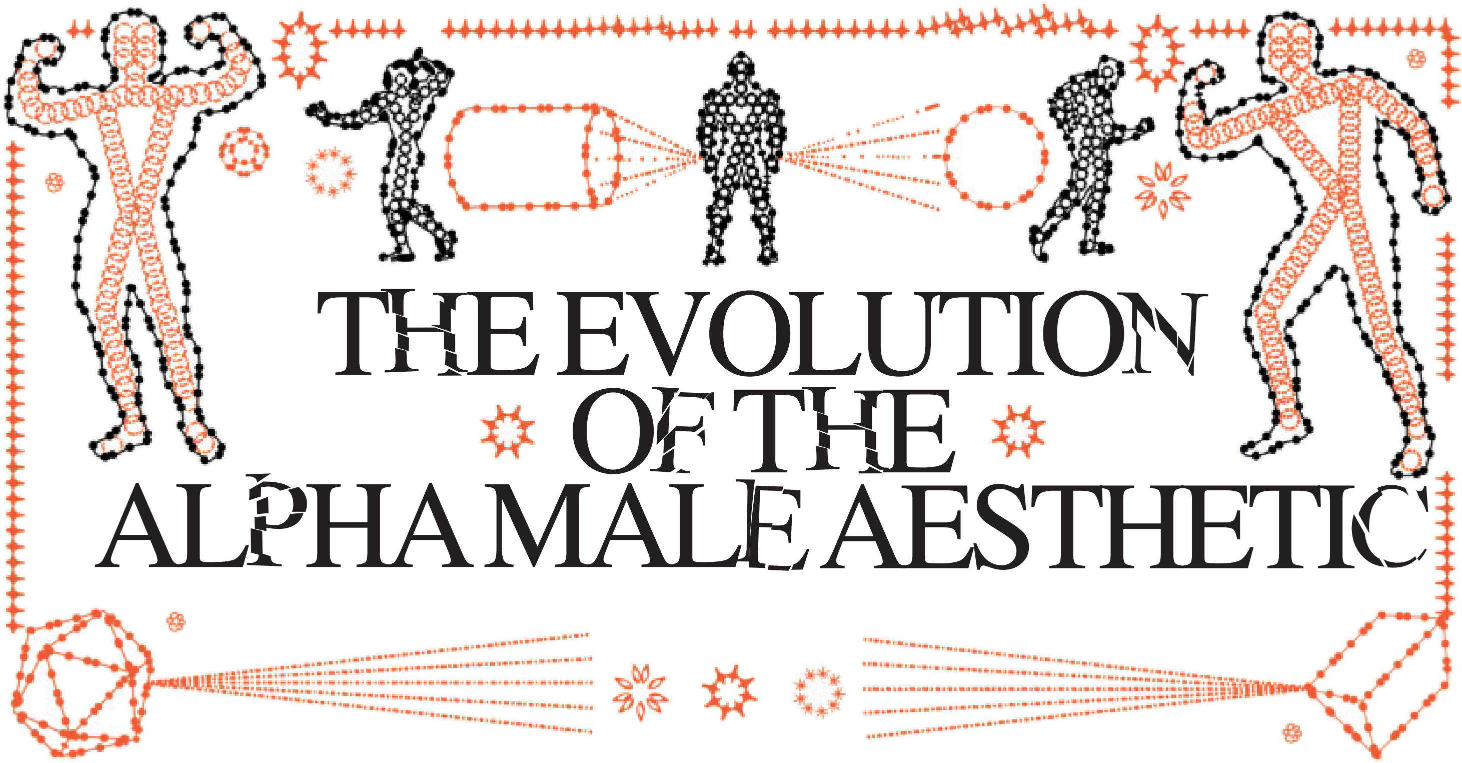
Shahidi had already planned for a world where his creators might break content rules and risk advertising revenue. He decided that with his podcasters, instead of positioning himself as a manager, he would be a business partner, creating consumer products they could sell via their shows, which could give him and his creator partners more control over their finances even if advertisers shunned their content.

Elon Musk's Twitter acquisition, which the Shahidi family office invested in, helped Trump and Shahidi further: After X fired its moderators and weakened its content regulation, other platforms followed suit, lowering the bar for the type of content that brands would advertise next to on the internet. YouTube stopped banning content that denied the results of the 2020 election. The podcasters, including Adin Ross and the Nelk Boys' Kyle Forgeard, started dabbling more in politics and worked on registering their heavily male listeners to vote. When Trump did win, White, the UFC president, thanked the podcasters in a speech on election night. Trump, Musk, White, Shahidi and others celebrated together at a UFC event a couple of weeks later.

By inauguration weekend, Meta Platforms, Spotify and YouTube were addressing the podcasters and Shahidi as honored guests at their events and meetings. "The relationships with everyone have gotten better," Shahidi says. On Google's latest quarterly earnings call, Alphabet Inc. CEO Sundar Pichai noted that 45 million people watched YouTube on election night and that an investment in promoting podcasts is "paying off." YouTube is now the most frequently used service for consuming podcasts in the US, according to Edison Research.

But the ascent to the formal halls of power means that Shahidi and the YouTubers, who increase their audiences largely as puckish outsiders, now have to contend with being part of the establishment. (The new hot podcast property, for instance, is from a lefty channel called MeidasTouch, which has traded top chart spots with Rogan this winter.) For the Nelk Boys' Forgeard, "our job with the politics stuff is done," he said before the inauguration. "It's just back to our content and making funny videos for our fans and stuff." Even if that was the plan, recent episodes have included guests from conservative circles, such as Sean Hannity and Ross. It's hard to change what has been a winning formula. Ⓑ

■ PHOTOS: ALAMY (3); GETTY IMAGES (2) ■ DATA: YOUTUBE, INSTAGRAM, TWITTER. FOLLOWERS TOTALS AS OF APRIL 8



THE EVOLUTION OF THE ALPHA MALE AESTHETIC

IF YOU'VE NOTICED A CERTAIN LOOK COMMON TO THE MANOSPHERE, YOU'RE NOT MISTAKEN. A VISUAL IDENTITY HAS TAKEN HOLD, WITH ROOTS THAT TRACE BACK DECADES

—— BY DEREK GUY

—— ILLUSTRATION BY COMPANION—PLATFORM

* * *

IN THE MID-19TH CENTURY, FRENCH POET Charles Baudelaire opined that fashion wasn't merely ornamental, it was a mirror reflecting the spirit of the age. This continues to be true today. In certain corners of the internet, the ideal man lifts weights, tracks macros and speaks in clipped imperatives. He dresses not for comfort but for the camera, squeezing into compression gear or tightly tailored suits. And, most important, he performs for the feed: the viewers he hopes will follow, the followers he hopes will buy (his coaching program, his supplements—link in bio!) and the godless algorithm that plucks people from obscurity and turns them into celebrities.

This is masculinity built for the scroll. Being an alpha male today is partly about adopting an aesthetic shaped by culture wars and online provocateurs. This shift isn't just about fitness or fashion; it reflects a perennial search for meaning. Where previous generations found identity in work, war or religion, today's masculine ideals are being forged in the churn of Instagram, TikTok, YouTube and X. In a society unmoored from traditional institutions, many men turn to self-styled gurus to answer the ancient question: *What does a man look like?*

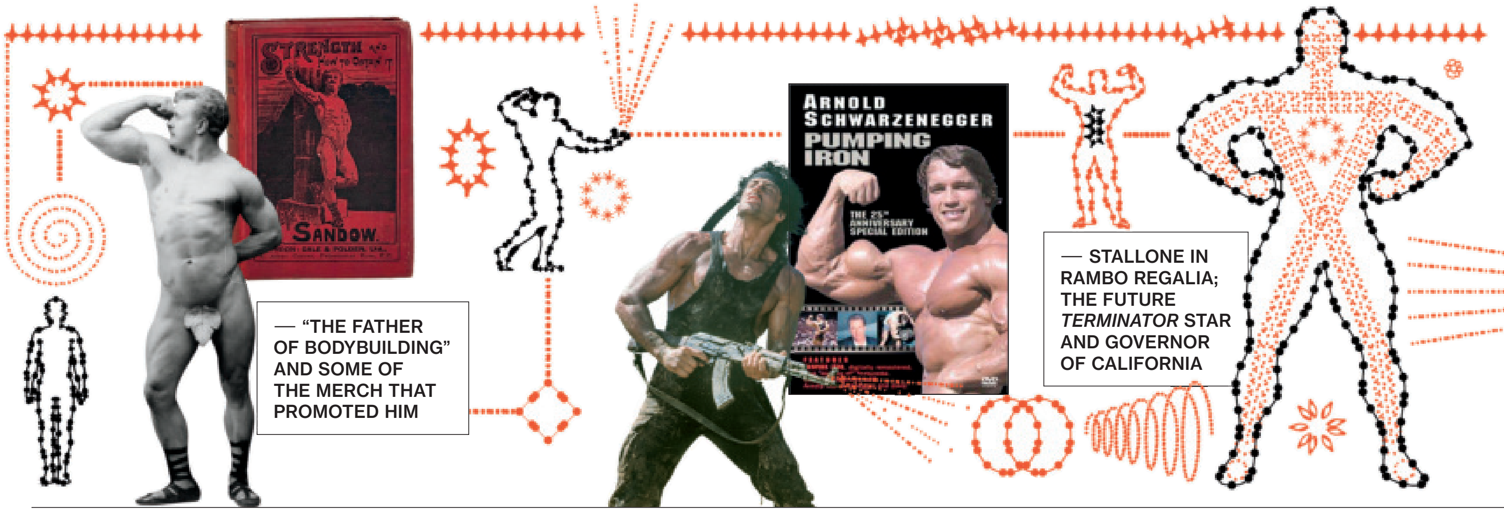
THE ORIGINAL MUSCLE MAN

More than a century before influencers flexed for Instagram, there was Eugen Sandow, a 19th century German strongman once described as "the finest specimen of manhood." He didn't invent weight training, but he was the first to turn bodybuilding into a global celebrity brand.

Sandow gained attention by breaking strength-testing machines, but his fame didn't explode until 1893, when Broadway impresario Florenz Ziegfeld Jr. staged him as both marvel and metaphor. In one act, Sandow appeared onstage dressed as a British soldier fleeing a Boer assault. Trapped at a ravine, he lowered himself across the gap and allowed women and children to cross his broad, muscular back. The Boer Wars, fought between the British Empire and the independent Boer republics in South Africa, were fresh in the public imagination—bloody, humiliating conflicts that challenged the myth of British supremacy. As David Waller, one of Sandow's biographers, put it: "It was designed to show quite literally how he could support the empire."

The mustachioed strongman toured Europe and the US, performing feats of strength in leopard skins and tight leotards. As his fame grew, Sandow tapped into an idea that would later become central to male self-improvement culture: branding. His name was stamped on dumbbells, cocoa powder tonics and a bestselling book, *Strength and How to Obtain It*. In 1897 the "father of bodybuilding" opened the Sandow Institute in London, a luxurious, three-story health club that offered private consultations and customized exercise plans. Many of his sales tactics—offering "act now" discounts, showing "before" and "after" photos, exaggerating medical benefits and appealing to science—continue to be used by modern fitness gurus.

Beauty standards are always shaped by cultural movements, which rest on the slow, grinding tectonics of politics and economics. The muscular male ideal we recognize today wasn't always the pinnacle of male attractiveness. The ideal male beauty in the early 19th century was a gentleman, which is to say pale, slender and of romantic, melancholic demeanor. The upwardly mobile middle class—clerks, shopkeepers, office →


STRENGTH and How to Obtain It
SANDOW
ARNOLD SCHWARZENEGGER
PUMPING IRON
THE 25th ANNIVERSARY SPECIAL EDITION

— “THE FATHER OF BODYBUILDING” AND SOME OF THE MERCH THAT PROMOTED HIM

— STALLONE IN RAMBO REGALIA; THE FUTURE *TERMINATOR* STAR AND GOVERNOR OF CALIFORNIA

← professionals—was more concerned with commerce than calisthenics. “Very few upper-class ‘gentlemen’ would ever touch a barbell,” David Chapman wrote in *Sandow the Magnificent*. “It was too much like manual labor.” Sandow helped recast the male body as a site of ambition, reframing muscle not as brute force but as evidence of self-mastery.

BARBARIANS & PSYCHOS

In postwar America, where Sandow’s heirs found their natural habitat in Southern California, muscle culture lost some of its respectability. During the late 1950s, Santa Monica’s Muscle Beach—once a family-friendly stage for gymnasts and acrobats—became dominated by bodybuilders, whose oiled torsos and theatrical poses drew mounting scrutiny. To many locals the beach took on a lurid edge. In 1959 the city quietly shut it down. The lifters migrated south to Venice, where a small weightlifting pit known as the Pen offered them a new home. Venice lacked Santa Monica’s polish—it was grittier and more permissive, with tattoo parlors, smoke shops and roller skaters—but it became the spiritual center of American bodybuilding.

In the early 1970s, Ken Sprague purchased Gold’s Gym, a struggling fitness club just blocks from the Pen. Sprague believed it needed to be more than a training space—it had to be a theater. He let director George Butler use Gold’s as the set for his 1977 documentary, *Pumping Iron*. The film, which followed rising stars such as Arnold Schwarzenegger, became a surprise hit and helped legitimize a culture often written off as self-obsessed spectacle. Its success lured magazines and TV shows to latch on to the commercial fitness boom.

In the years that followed, Hollywood turned bodybuilders into icons. Schwarzenegger and Sylvester Stallone dominated the box office with action hits such as *Conan the Barbarian* and the Rocky and Rambo series. They were cast as warriors and street fighters, and their physiques stood for grit, dominance and—at times—moral clarity. Their silhouettes became templates, reproduced in pop culture ephemera.

Even their attire began to echo their form. The 1980s power suit was a sharp departure from the soft-shouldered Brooks Brothers tailoring of old-money WASPs and the disheveled denim of countercultural hippies. What had once been flaunted in cotton tank tops now took shape in dark worsted wool: extended shoulder pads, inflated chests and waists tightened like lifting belts. Paired with a bright tie and contrast banker collar, the power suit embodied the “greed is good” ethos of a new tycoon class.

As the decade wore on, the line between discipline and vanity began to blur. No cultural figure captured that slippage more than Patrick Bateman, the status-obsessed antihero of *American Psycho*. Although the novel was published in 1991 and the film adaptation released in 2000, Bateman was unmistakably a creature of the ’80s. By day, he moved through Manhattan in Valentino Couture suits and Oliver Peoples glasses. By night, he peeled off his uniform to reveal a body maintained with crunches and skin-care routines.

Together, the gym body and the power suit formed a singular ideal: the optimized man. Whether he was lifting weights or managing capital, strength had become something to display, not merely possess. And yet, to be seen as dominant, a man had to conform to someone else’s idea of what dominance looked like.

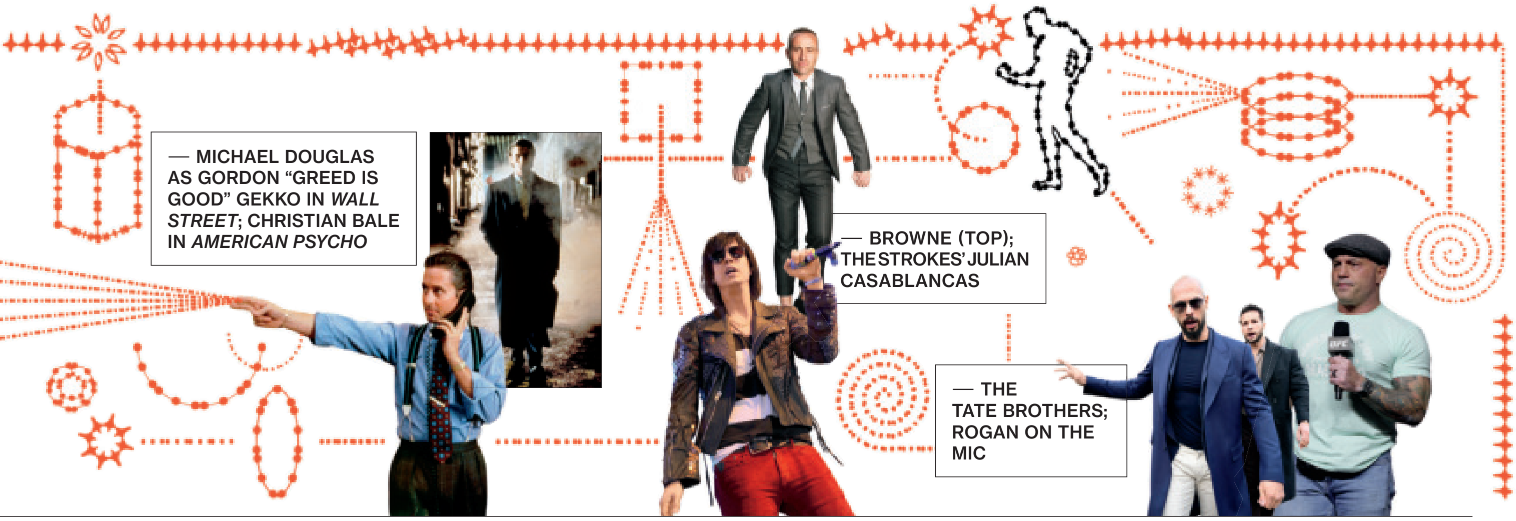
METROSEXUALS & *MAD MEN*

The collapse of the dot-com bubble in 2000 ended the longest stretch of uninterrupted economic growth in American history. At the time, high fashion was still steeped in the austere minimalism of the 1990s. But as consumers tightened their belts, the fashion industry scrambled for ways to keep shoppers engaged.

To make old styles feel new, designers reshaped men’s silhouettes. In the early 2000s, Raf Simons, Hedi Slimane and Thom Browne rejected the bulky, broad-shouldered shapes associated with American tycoons, action stars and Armani swagger. They put the male wardrobe through a hot wash and tumble dry: Shirts tightened, jackets shrank, and trousers contracted in every direction.

Early adopters of slim-fit style were fashion-forward urbanites who embraced this European vision of youthful cool. They wore shrunken blazers, used chamomile-infused moisturizers and could explain the difference between Chelsea boots and jodhpurs. In search of a label for their aesthetic, the media landed on “metrosexual.” The metrosexual took pride in taste, but what set him apart was his attitude toward gender performance. As the *New York*

■ PHOTOS: SANDOW: ALAMY. BOOK: GALE & POLDEN. RAMBO: NANCY MORAN/GETTY IMAGES. PUMPING IRON: WHITE MOUNTAIN FILMS. GEKKO: ALAMY. BATEMAN: ALAMY. CASABLANCAS: TIM MOSENFELDER/GETTY IMAGES. BROWNE: STEVEN SULLIVA/GETTY IMAGES. TATE BROTHERS: DANIEL MIHAILESCU/GETTY IMAGES. ROGAN: CARMEN MANDAT/GETTY IMAGES



— MICHAEL DOUGLAS AS GORDON “GREED IS GOOD” GEKKO IN *WALL STREET*; CHRISTIAN BALE IN *AMERICAN PSYCHO*

— BROWNE (TOP); THE STROKES’ JULIAN CASABLANCAS

— THE TATE BROTHERS; ROGAN ON THE MIC

Times wrote in 2003, this new archetype possessed “a carefree attitude toward the inevitable suspicion that a man who dresses well...is gay.”

While it marched down high-fashion runways, slim fit also crept into indie rock shows, early style blogs and online menswear spaces including Styleforum and Superfuture. As the Strokes played onstage in threadbare tees and skin-tight denim, wealthy urbanites chased the look by purchasing Slimane’s Dior 17cm and 19cm jeans, named after the width of their leg openings.

In its early years, slim fit was met with low-grade cultural panic. But soon everyone became a metrosexual. Fashion magazines treated slim fit as a kind of pseudoscience—any loose fabric signaled laziness or sloppiness. J.Crew helped bring this new silhouette into everyday offices. At the same time, *Mad Men* introduced a new masculine figure: Don Draper. Emotionally sealed off and impeccably dressed, Draper gave the slim-cut suit an edge of stoic authority. Shrunken clothes became synonymous with professional competence and upward mobility.

Slim fit’s early ties to gender rebellion faded as the silhouette was absorbed into more conventional ideas of masculinity. What once looked subversive became standard fare in offices, at weddings and on Tinder profiles. New subcultures rebranded the look with more conventionally masculine associations. The rise of athleisure for men, particularly centered on slim joggers, pushed the same silhouette in poly-stretch fabrics, forming a softer kind of masculine armor. In Silicon Valley, tech founders embraced minimalist wardrobes built around Everlane tees, trim chinos and all-white sneakers. An aesthetic once dismissed as “metro” was now emblematic of self-optimization.

PODCASTERS & FACE PLUNGERS

The slim-fit revolution, once a marker of fashion-forward rebellion, is now firmly mainstream. For many—especially middle-aged men—slim fit still signals polish, effort and middle-class respectability (see Matt Walsh and Vivek Ramaswamy). It’s also the uniform of fitness influencers and grindset entrepreneurs, who populate a sprawling online ecosystem shaped by modern anxieties about masculinity.

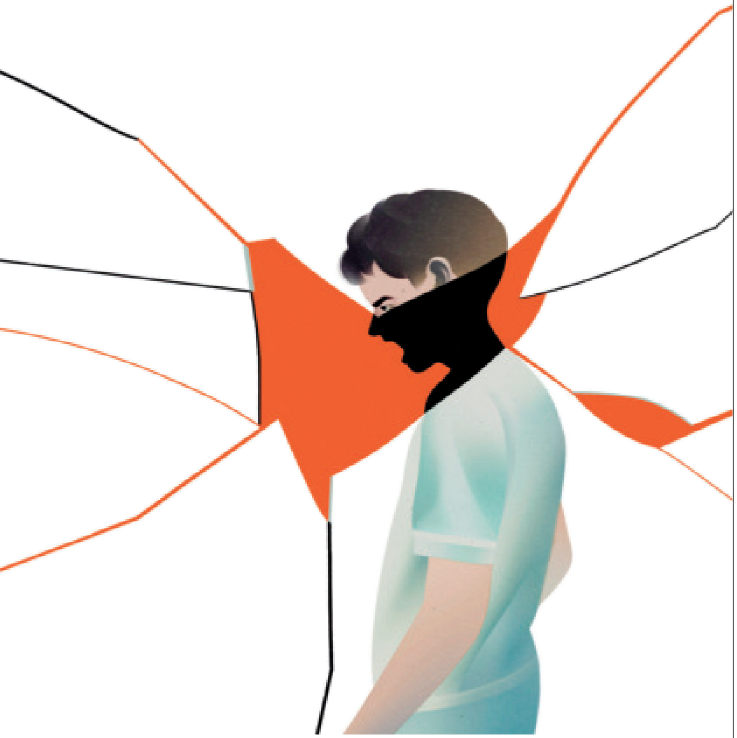
The culture that produced these manfluencers emerged from a tangle of subcultures that took shape at the dawn of the metrosexual. MMA fighters such as Georges St-Pierre and Chuck Liddell offered a new masculine ideal—not muscle for spectacle, but functional strength hardened through raw combat. On YouTube and in early fitness forums, ex-soldiers, bodybuilders and amateur life coaches used their physiques as proof of transformation. Hustle culture took these ideas further. Tim Ferriss, known for his *4-Hour* self-help books, wrote about cold plunges and productivity hacks. Joe Rogan eventually became the connective tissue between these subcultures. His podcast empire fused fitness, supplements, self-help and libertarian suspicion into a single worldview—one-half gym science, one-half cultural resistance.

The Tate brothers repackaged that worldview with a harder ideological edge and a theatrical contempt for liberal norms. Not everyone in the alpha ecosystem shares their politics, but many embrace the same visual grammar. Ashton Hall, whose cold Saratoga water face plunge became a TikTok trend, uses similar imagery. Liver King wrapped primal excess in a veneer of ancestral wisdom. These men may differ in tone, but they share an ideal: masculinity is under siege, and the only way forward is to optimize, aestheticize and dominate. For them, the body is a billboard for self-mastery, and slim-fit clothing is the wrapping that proves it.

This new wave of hypercurated masculinity is a backlash against a cultural landscape shaped by gender fluidity, body positivity and an ongoing renegotiation of gender roles. As celebrities like Harry Styles and Lil Nas X pose in dresses and blur the traditional lines between masculine and feminine, another current rushes in to reassert the old order. It pulls from earlier models: The mythic strength of Sandow, the beachside bravado of the Venice bodybuilders, the greed-soaked tailoring of 1980s finance and the tight-fitting clothes once labeled metrosexual. Today’s fixation on muscularity, discipline and traditional masculine aesthetics feels like a new chapter in that same historical cycle.

Where does this aesthetic go from here? When the cultural winds shift—as they always do—the alpha will update accordingly. The look will change. The slogans will too. But the performance will remain: a man offering a caricature as comfort, selling certainty to those unsettled by change. Ⓑ

WHY *ADOLESCENCE* STRUCK A NERVE



IF YOU HAVEN'T WATCHED THE NETFLIX LIMITED SERIES *Adolescence*, you've probably heard people talking about it. The British production is a global hit, a four-hour-long gut punch that dissects the dynamics behind the murder of a teenage girl, Katie, by her classmate Jamie, who was seemingly radicalized, in part, through toxic male digital culture. *Bloomberg Businessweek* editors Brad Stone and Reyhan Harmanci talked with the show's co-creator Jack Thorne about Jamie, Katie, social media culpability and teens. This interview has been edited for clarity and length.

One of the big themes of the show is how absolutely foreign this generation's kids feel to their parents, who are trying to protect them. Did you approach *Adolescence* with the feeling that maybe technology has widened this gap, particularly for boys?

Absolutely. And there's loads of conversation that we can't understand, you know, the emojis, which I spent a long time talking to young people about, that sort of level of sophistication in terms of how they talk. You can imagine the 1960s felt like that, where you're just kind of going, and there's one group of people that talk this way, and then there's another talking that way, and how are these people going to work out a way to communicate between themselves?

Did you talk to a lot of young men as part of your research? Curious what the preparation was.

Yes, I talked to a lot of men, young men. I also spent time on the internet changing my algorithm. So I also consumed a lot of content on all sorts of different platforms to try to understand what was being consumed.

The thing I found was that I thought I could put [online culture] in a box and say, "These are aliens"—you know, Andrew Tate. I couldn't do it quite as effortlessly as I thought. I think it's really central, this idea of 80% of women are attracted to 20% of men. That idea is such a powerful idea. And it gets inside what I felt like as a teenager, which is, "No one likes me. No one finds me attractive. No one wants to talk to me. How can I fit in this world?" And if I heard that there is a reason why you feel this way, there is a reason why you feel all these emotions, and that is because the world is female-dominated. Aesthetically you don't belong in it until you learn how to make yourself stronger, make yourself better, make yourself more attractive.

There's always been extremist culture. What is the culpability of social networks, of manosphere podcasters, of the algorithm that you discovered as you were doing research for the show?

I think for the expectations that these boys are growing up with. They can have total culpability, because it is an ideology they have spread that I know I didn't feel at that age. I did feel like there are ways I should look that I don't look. But I didn't feel like boys that I've spoken to feel, which is just kind of like, "If I do not have shoulders the size of Henry Cavill, then I failed in life."

Some countries have tried to regulate social media, but how practical is it? Can we put the genie back in the bottle?

Well, we have with cigarettes. We have with alcohol. We have changed the way we deal with all these influences on people's lives. Why can't we look at phones and social media as part of that? Why can't it be a public-health issue? If a government takes a stand, it might have a real impact.

One last question, and maybe it's unanswerable, but is Jamie an unredeemable psychological monster, or is he a product of all these factors, including the relationship with his father and the current circumstances around online culture, social media and technology use? It's another way of asking, could this have all been prevented?

Oh, it could have been prevented so easily, and it could have been prevented by about 50 different characters in the show if they'd been able to reach him. Then maybe he'd have changed his ways. Is he irredeemable after he's committed this act? Hopefully he's in jail for a long time before he's then released into the world, but I don't believe anyone is irredeemable. That's the tragedy of it. The tragedy is that Jamie will have an opportunity for a life at some point. And Katie won't. Ⓑ

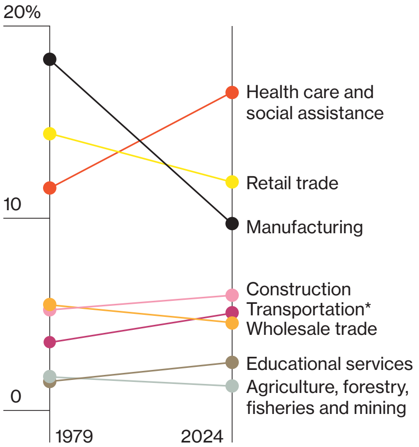
■ ILLUSTRATION BY ARD SU

THE NEW JOBS FOR MEN

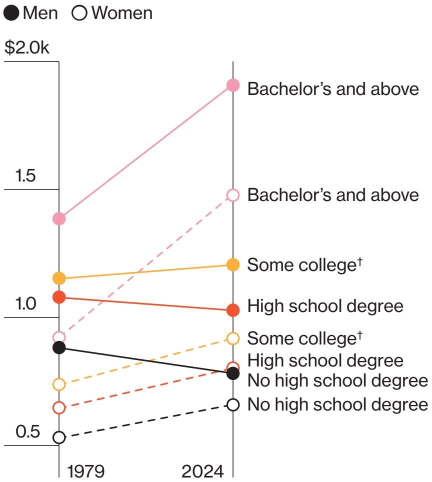
Across a multitude of economic measures, working-class American men are struggling. The jobs they used to dominate are disappearing, their wages aren't growing, and they're employed at a lower rate than in prior decades. Meanwhile, men are spurning the jobs of the future. No, not STEM jobs—"HEAL" jobs, or occupations that form what's known as the "care economy," including those in health care and education, as well as ones that require a higher degree of various kinds of literacy. (Richard Reeves, of the American Institute for Boys and Men, coined the term.) While there's been a decisive increase of women in fields traditionally dominated by men, there hasn't been movement in the other direction. The share of women in STEM has increased to 24%, up from 9% in 1970, while the share of men in HEAL has fallen to 22%, down from 31% in 1970. As AIBM writes in its research brief on the topic: "This means missed job opportunities for men as well as a damaging lack of men in some vitally important roles." —*Klara Auerbach*

WORKING-CLASS MEN ARE STRUGGLING IN A NEW ECONOMY

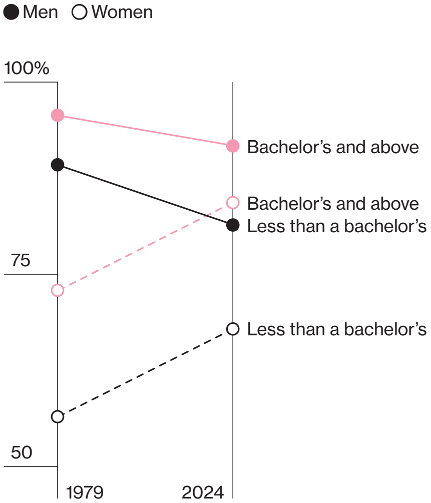
Total share of private employment



Median weekly full-time inflation-adjusted earnings, age 25 and up

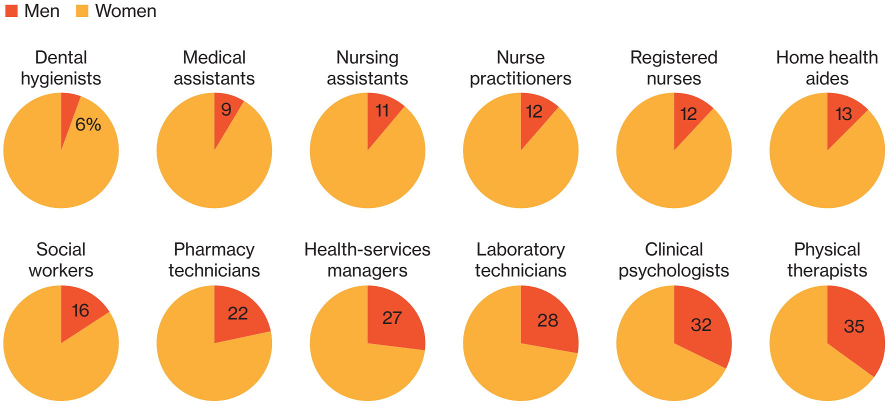


Employment rate, age 25 to 54

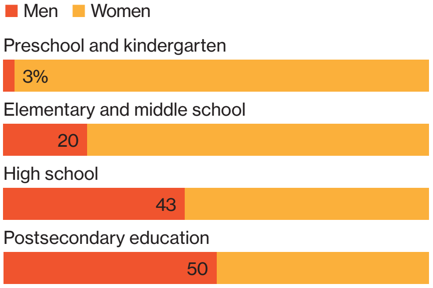


MISSING MEN IN CRUCIAL SECTORS

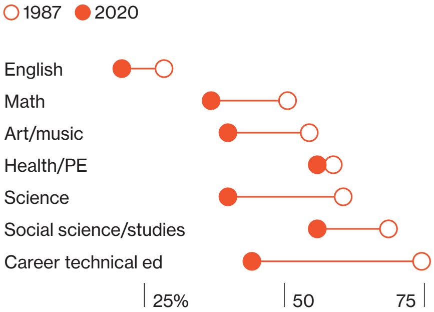
Gender breakdown of select full-time health-care jobs in 2023



Share of teachers at a given level in 2023, by gender

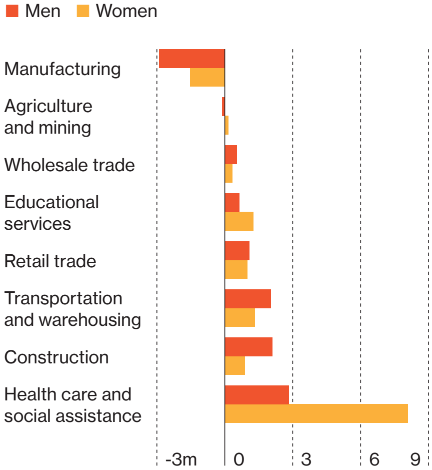


Share of US high school teachers who are male

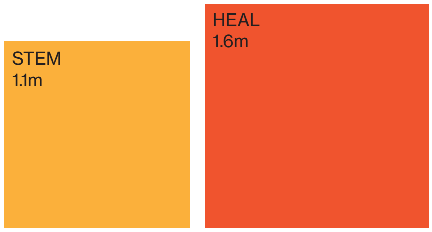


HEAL JOB GROWTH

Change in private employment (1994-2024)



Projected job growth, 2023-33



■ *INCLUDES WAREHOUSING. †INCLUDES ASSOCIATES DEGREE. EARNINGS FIGURES EXCLUDE THE SELF-EMPLOYED. DATA: FIGURES FROM US CENSUS BUREAU, BUREAU OF LABOR STATISTICS AND NATIONAL CENTER OF EDUCATION STATISTICS COMPILED BY THE AMERICAN INSTITUTE FOR BOYS AND MEN; AIBM ANALYSIS OF BLS AND O*NET DATA

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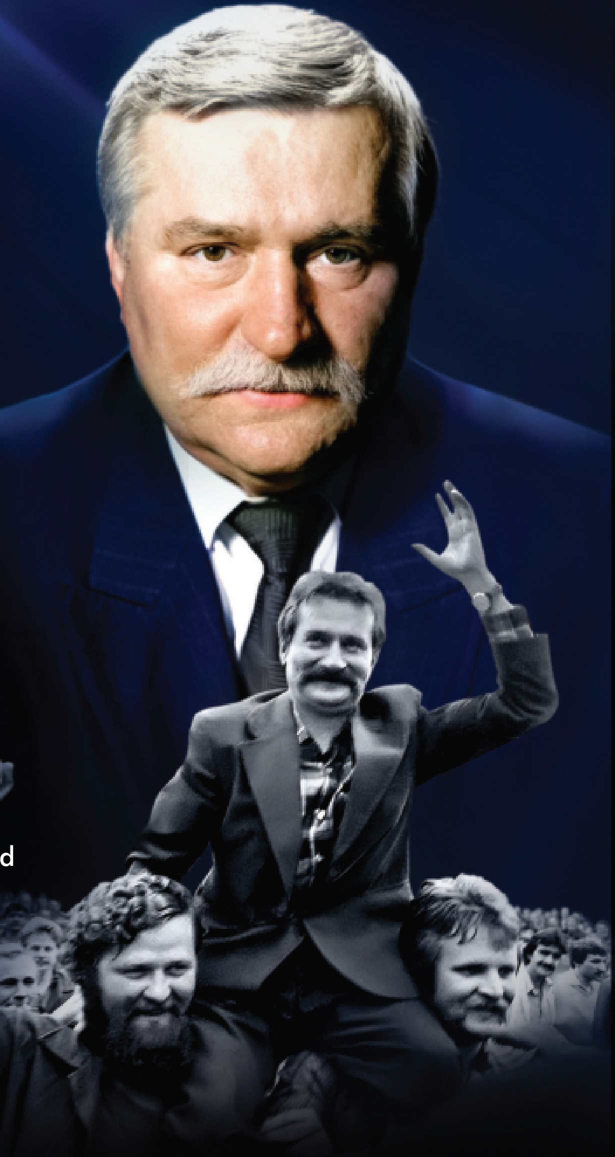
> — **Lech Walesa**



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THE SUMMER TRAVEL SPECIAL

PURSUITS

American Beauties

From sea to shining sea, the grand resort is making a comeback—and just in time

By Nikki Ekstein
Photographs by Joyce Lee
Illustrations by Julien Posture

The Hotel del Coronado's central building, a Queen Anne Victorian from 1888

That building you're looking at right there? It's the birthplace of the American beach vacation," says Gina Petrone.

Petrone holds the unusual title of "heritage manager" at San Diego's landmark Hotel del Coronado, and she and I are standing in the long driveway that leads up to the vast Queen Anne Victorian pile, whose distinctive ivory shingles and terracotta-red turrets captivate every arriving guest. A gilded plaque hints at the Del's architectural significance, calling it "one of America's largest wooden buildings" and among the "few seaside resort hotels of this style remaining in America."

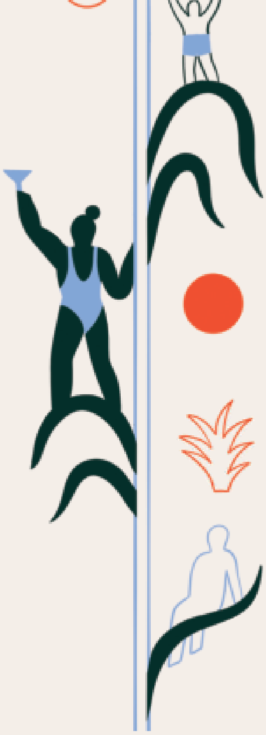
But like any gilded plaque, it tells only a fraction of the story. "You see the monkeys hiding in the wallpaper behind the reception desk?" Petrone asks, pointing to an ivory-and-emerald-toned toile mural newly installed behind a grand oak counter. "That's a reference to the monkeys that would roam the garden just beyond the rotunda. There used to be all sorts of animals running around this place to entertain guests. But the monkeys liked to jump on people's heads and rummage through their picnics." The overindulged simians would later become some of the original tenants of the San Diego Zoo.

When the Del opened with 450 rooms in 1888, it would take roughly five days to get there by train from New York City. It was nonetheless a popular spot for wealthy East Coasters, where Vanderbilts, Rockefellers and Carnegies hunkered down for three months at a time, to be entertained and wined and dined in the warmth of the Southern California coast. The all-inclusive rate was between $2.50 and $3.50 per night, with meals taken communally and served by tuxedoed waiters in a wood-paneled room with curvaceous walls and custom-made crown-shaped chandeliers. (The hotel became even more famous in 1959, when it starred alongside Marilyn Monroe in *Some Like It Hot*.)

Now all of it—from the "rotunda" lobby to the Crown Room and the red turrets—is as glorious again as it was 137 years ago, thanks to a $500 million-plus renovation and expansion, including a Nobu restaurant, that will wrap up in June. (The room count is now 938, if you're curious; rates start at $568.)

The Del is owned by Blackstone Inc., the world's largest alternative asset manager, and this project was one of the

Hotel del Coronado's lobby, called the rotunda



■ WHITE ELEPHANT: DIANA TODOROVA FOR ARHAUS

The White Elephant Nantucket

most expensive hotel renovation investments by the company. "Given the historic nature of the property and the sheer scale of the transformation, it's an incredibly unique project," says Rob Harper, Blackstone's head of US real estate asset management.

It may be unique, but the Del isn't in a class of its own. The grand American hotel is having a notable resurgence, one not seen since the 1980s and the mid-to-late 1800s before that.

Consider some rivals, such as the 114-room Lake Estate on Winnisquam, opening in August in central New Hampshire, where you can order tall glasses of iced tea in a spa sitting room filled with plush navy loungers, all pointed toward a wall of retractable windows and 3,400 feet of shoreline. On the site of a onetime resort called Anchorage at the Lake, the reincarnated destination has lured top Boston chef Chris Viaud to design Frenchified New England fare for its main restaurant. It's also created a series of meditation and floral gardens to stroll through between bourbon tastings and games of pickleball.

Up in Maine, in Northeast Harbor, the Asticou Hotel, which first welcomed travelers in 1870, is being reborn as a collection of water-view rooms and cottages done up in a combination of candy pink stripes and tan plaids. The Inn at Mattei's Tavern, an Auberge Resorts Collection property in Santa Ynez, California, is another fascinating revival story: A popular stagecoach stop in 1886, it's now a mix of historic cottages and rooms with exposed beams, where guests can explore the region's vineyards or take watercolor painting workshops in the hotel's expansive grounds.

Then there's the 1928 Don CeSar in St. Petersburg Beach, Florida, which was dubbed the "Pink Palace" by fans such as F. Scott Fitzgerald and Al Capone; it reopens in May. On Nantucket, the 100-year-old White Elephant, which started as a collection of seaside rental cottages run by socialite Elizabeth Ludwig, has been rolling out a series of major renovations over the past few summers.

All these comebacks are adding to a coterie of well-loved resorts that harness America's stunning landscapes. Most have a country club feel, with classic leisure pursuits on offer. There's skeet shooting and fly-fishing at Tennessee's much admired Blackberry Farm; hot air ballooning and horseback riding at Utah's 900-acre Amangiri; and s'mores roasting and bike riding under towering live oaks at Montage Palmetto Bluff in South Carolina's Lowcountry region. At the Del, it's golfing or sailing around Glorietta Bay.

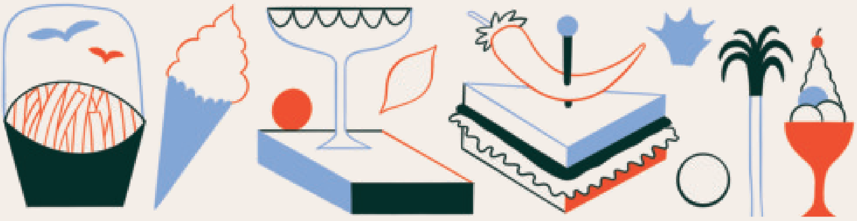
These places are invigorating a tradition of great American escapes that goes back to the early 1800s, when wealthy New Yorkers started to seek natural oases as a counterpoint to their urban life. Mineral baths and spa culture were in the zeitgeist—people knew they were trendy in Europe—and hot springs happened to exist in places like Saratoga, New York. The nearby Sans Souci Hotel, built by famed architect Nicholas Low in 1803, was one of the first to attract vacationers, with a bathhouse, an icehouse and horse stables among its draws. It had capacity for about 150 guests, but only in the summer, because the building had no heating.

These resorts also benefited from America's growing rail network, much as they did from stagecoach routes and boat access in decades prior. The Del was built at the culmination of a rail line that was completed in 1885. Plans for the hotel were drawn up within two years—Coronado needed water access and streets first—and it was built in only 11 months. Without cars or planes to go any farther, wealthy urbanites recharged at these places.

Americans may have been chasing a European idea of rest and relaxation, but they actually created this category of escape. "It's important to recognize that the international idea of the 'grand hotel' as we understand it today—that's an American invention," says A.K. Sandoval-Strausz, a professor of history at Penn State University and author of *Hotel: An American History*. "Starting in the 1850s, we led the world in hotels."

Capitalism and the evolution of white-collar work gave rise to an upper middle class whose members felt they needed time off; they yearned to vacation, even if they didn't own grand country estates. "Europe doesn't have anything like an American-style middle class until the 20th century," Sandoval-Strausz says. "That makes the idea of a truly public hotel an American one." ▶

The beach at the Del



◀ These upwardly mobile Americans were also intent on making social connections while on holiday. Grand hotels were ripe spots for matchmaking. “You knew you’d be rubbing elbows with other socially eminent people,” he says.

Unfortunately, most of the original resorts burned down generations ago. (These were typically built with timber, so when lightning struck or a candle tipped over, it could be disastrous.) But what people are looking for today in the current crop of American resorts isn’t so different from what vacation spots back then offered: easy access from major cities, proximity to the calming influence of nature and the opportunity to mingle with a like-minded slice of society.

“I think a lot of New Yorkers can’t stay in the city for more than six weeks at a time anymore,” says Jack Ezon, co-founder of the high-end travel agency Embark Beyond. “They’re looking for more easy options to get away–things they can do last minute within a two- or three-hour radius of home.” And the appetite for US resorts may only rise as Americans grow more anxious about their souring reputations abroad.

To be sure, luxurious American resorts have been on the upswing for some time. Since 2019 the number of hotels charging more than $1,000 per night has grown by 475% in the US, more than anywhere else, according to data from real estate analytics company CoStar.

At the Del, that sub-$600-a-night rate can get you a small but beautiful room in the historic main building. But in the three-year-old Shore House wing, where residential-feeling suites are perfect for families, oceanfront two-bedrooms often top $3,000. They come with wraparound patios and indoor and outdoor fireplaces; mine even had its own pet, a scarlet betta fish named Bubbles.

Given the high cost of modern American real estate and labor, ultraluxury resort developments like this hadn’t been common until recently, says Bjorn Hanson, a veteran hotel consultant in New York. “In the past there were a handful of projects like these each year in the US. Now it’s in the dozens.”

Christian Clerc, chief executive officer of Auberge, says this flurry of openings is the result of perpetually high-spending Americans splurging like never before. His brand was born during the last advent of great stateside resorts; Auberge du Soleil opened in Napa Valley in the early 1980s, first as a restaurant and then as a hotel. The rise in popularity of California wine and cuisine converged with significant tax incentives for hotel developers, fertile conditions for a boom. “Some 90% of our portfolio is in the US, and we’re far from done. We’re doubling down on this country with mountain resorts and wine country and beach and ski, from the Northeast to the Southwest,” he says.

I’ve been smitten with the Del for a long time, a fact I was thinking about as I sat on my Shore House patio one night, the Pacific waves crashing in the darkness. But why? I’d never visited before and knew little about its history. Then it dawned on

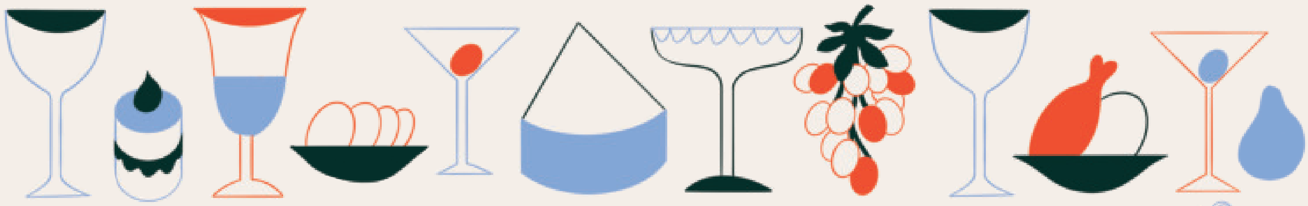
■ INN AT MATTEI'S TAVERN: AUBERGE RESORTS COLLECTION

me: It's almost identical to the Grand Floridian, a resort in Walt Disney World that seemed like the most glamorous hotel in the world when I was a kid.

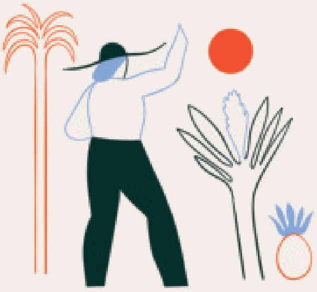
That's no coincidence, Petrone told me soon after, pointing to a framed picture of Mickey Mouse's creator hanging on the walls of the hotel's newly opened Ice House Museum, which contains artifacts and historical photos of the Del. "Walt and his wife vacationed here several times in the '60s," she says. As I looked through the gallery, it seems as if anyone who was ever anyone has stayed at Hotel Del. "It's just amazing to walk these spaces and know that all of these prominent names from American history have been here too," Petrone said.

I was left wondering: "If these walls could talk, what would the monkeys say?"

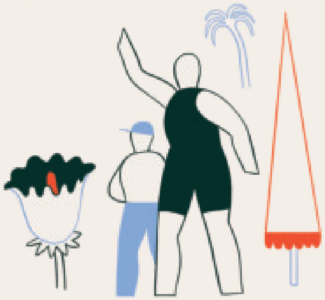
The bar at the Inn at Mattei's Tavern



CEO DIET



Where the Boss Takes a Break



By Kate Krader

SARAH O'LEARY

Willow Innovations

"My California kids love soaking up summer on Cape Cod. Warm nights, quaint architecture, fresh seafood, time with cousins, the ephemeral feeling of summer days in a place with true seasons–just magical."

MATTHEW TUCKER

Tock

"The San Francisco Bay Area is that rare balance of sophisticated dining, cultural richness and immediate access to natural beauty that makes every visit feel both rejuvenating and inspiring."

GEORGE GRAHAM

Wolf & Badger

"I visit Venice often, even if just for a long weekend. Many think of it as a one-time destination to tick off their travel lists, but I've found many first-timers miss its true charm. I'll spend the days wandering around the Giudecca, an often overlooked neighborhood, or exploring Burano or another of the lovely surrounding islands. The best food is always at one of the local trattorias, and I finish my day with a dry gin martini at the Gritti Palace, where I always stay."

JOHANNES LÄDERACH

Läderach

"During trips to see our cocoa farmers in Trinidad, Maracas Bay has become my go-to for a truly restorative escape. Swimming in those crystal-clear waters is pure bliss. No trip is complete without the local 'bake and shark' [a fried fish sandwich]. I've shared this slice of paradise with Läderach managers–a reward for their years of service."

NICK GREEN

Thrive Market

"Spain has a special place in my heart–it's where my wife, Carolina, is from. Every year our whole family, now six of us, visits her parents in Córdoba. Life moves at a slower pace, and lunch is the main event. It's usually something prepared by our extended family, like fresh fish with simple sides of tomato and cucumber salad."

MOA GÜRBÜZER

Oddbird

"Five days in Göcek, Turkey, is all I need to rebuild energy for an entire year. It's a secluded harbor town with less than 5,000 people.
I spend at least two days out at sea on a big sailboat run by Captain Ali, his wife and children, and about 30 other guests, and they take you around the 12 islands that are just off the coast."

BREE MCKEEN

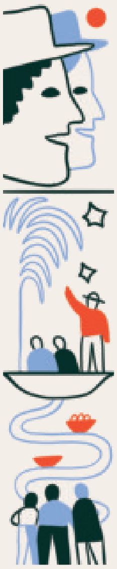
Evelyn & Bobbie

"At this stage in my family's life, we love to go to a special little beachside retreat in rural Oaxaca. The last time we were there, the busiest day had 10 people total on the beach. We rent a home from a local, stock up on amazing produce from the open-air market and then hardly get in the car!"

CAMPER'S CONUNDRUM

What to Do About National Parks?

By Nikki Ekstein



Corona Arch near Moab, Utah

Last summer, Elizabeth Mouzannar treated her husband and 11-year-old daughter to a two-week road trip visiting some of America's most beloved national parks. At Zion, Arches, the Grand Canyon and beyond, they attended every ranger talk they could, racking up National Park passport stamps. Not only did her daughter love it, "I actually found it really educational for myself," says Mouzannar, an arts administrator in Brooklyn, New York.

She'd been planning a follow-up on that runaway success with a trip to Glacier, Grand Teton and Yellowstone in August, but now she isn't sure, considering that the Trump administration in February fired roughly 1,000 National Park Service employees, or about 9% of the agency's staff. Among them were custodians, fee collectors and interpretive rangers–exactly the employees etched in her memories. "Are visitor centers not going to be open? Does it mean there's no education services for kids?" she wonders. "Is it just that there'll be more trash around, or does it compromise safety?"

The NPS reported a record 332 million visits in 2024. In the year prior, it estimated travelers spent $26.4 billion in "gateway communities"–towns near parks, such as Gardiner, Montana, outside Yellowstone, and Moab, Utah, outside Arches–up from $14.7 billion in 2012. Those numbers could be even higher this summer, with many Americans expressing a desire to vacation closer to home and find refuge in nature amid the current political and economic tumult. But that may happen only if hospitality companies and concessionaires can assure them that their trips will be awe-inspiring instead of awful, given the uncertain circumstances.

"There's definitely been a lot of concern" from hoteliers, restaurant owners and tour operators over loss of business, says Cassidy Jones of the National Parks Conservation Association, an advocacy group. "Tourism is a massive part of the small-business landscape for people in these rural communities."

The good news is that workarounds are plentiful. Tour operator Intrepid Travel says one strategy is to visit Indigenous-owned lands in and around national parks, such as the fossil-filled prairies and layer-cake-like cliffs of the Badlands in South Dakota, or the caramel-colored, swirling slot canyons of Antelope Canyon in Utah. Depending on their relationship with the NPS, some spots may be exempt from staff cuts, and others have enough Indigenous resources to seem unaffected.

"As traffic has grown to national parks, Indigenous concessionaires and guides have become experts" at pinpointing less-crowded alternatives, says Matt Berna, Intrepid's senior vice president for US-based operations. There are even exclusive experiences, such as camping under the stars in Monument Valley in Arizona through a Navajo Nation partnership. "You get a much deeper experience when your guides are the direct descendants of the tribes' forefathers," Berna says.

Other hospitality companies are also doing their part to help travelers feel confident about keeping their plans. AutoCamp, a lodging company that offers renovated Airstream trailers in locations near Joshua Tree, Sequoia and Yosemite, is hiring laid-off NPS workers as guides, giving them a job and a place to stay. And private operators such as Backroads, which offers five-day trips through Acadia National Park in Maine, employ their own.

There are also state parks, which are funded primarily through user fees, insulating them from political disruption. The Mars-like rock formations of Goblin Valley in central Utah, the old-growth forests and mossy granite canyons of Franconia Notch in New Hampshire and Big Bend Ranch in Texas (where stargazing is especially mesmerizing) are all on that list.

On family travel Facebook groups such as Club Bébé Voyage, members seem to understand that trash cans might be fuller and bathrooms dirtier, but that the natural beauty of America's parks will be basically unchanged. Besides, they say, curtailing visits may embolden the Trump administration to reduce a park's size or clear other federal land for mining and construction.

Given all the unknowns and her frustration with the new policies, Mouzannar is considering another approach entirely: heading to Canada. "We may go to the Banff or Jasper national parks instead," she says. *—With Laura Bliss*

ARCH: NICK OCEAN/GETTY IMAGES. YACHT: RITZ-CARLTON

Ritz-Carlton's *Ilma*

HOTELS ON THE HIGH SEAS

Yes, Cruises Are Glam Now

By Fran Golden

Picture waking up to a tangerine dawn over the ocean, wrapped in a tangle of soft white linens. You slide into a Frette bathrobe and watch the sun rise from the whirlpool tub on your private terrace. A butler knocks and drops off mimosas.

No, you're not at a five-star resort; you're not even on dry land. You're sailing on a next-generation cruise ship, one that's smaller, more yachtlike and far more luxurious than its mass-market kin. And like the rest of the jet set, you're obsessed.

Even though trips like this often start at $14,000 per week per couple (bottomless Champagne and caviar included), there is no shortage of takers. Big-name resort brands including Four Seasons and Aman—along with an influx of high-end concepts from billionaires such as Bernard Arnault of LVMH Louis Vuitton Moët Hennessy SE and François Pinault of Groupe Artémis—are meeting the demand with new ships.

For example, Ritz-Carlton Yacht Collection's third superyacht, *Luminara*, with room for 452 passengers, will set sail this summer with free-flowing Moët & Chandon, "diamond dust" facials and seven restaurants. Arnault's Orient Express brand (owned in partnership with Accor Group) will launch a hyperluxurious, 108-passenger sailing yacht next year.

Such experiences couldn't be further from cruising's mainstream reputation: floating cities with waterparks, roller coasters and endless buffets that can attract thousands of value-oriented passengers at once. (In other words, a hellscape for vacation snobs.) You might even call them polar opposites, especially because the destinations of these small, posh ships are uncrowded paradises that include the Arctic and Antarctica in addition to Greece's Monemvasia and France's Sanary-sur-Mer.

Pre-pandemic, passengers on established luxury lines like Regent Seven Seas, Silversea and Seabourn consisted mostly of big-spending baby boomers enjoying the fruits of retirement. But on Ritz-Carlton's recent sailings in the Med, I saw a mix of wealthy millennials, Gen Xers and some families with children. Over yuzu cocktails, they compared notes on their casual-cool St.-Tropez excursions, visiting cafes for tarte tropézienne and playing rounds of boules (a boccelike game) in public parks. Sailing in the Caribbean with Explora Journeys, a brand started by the privately held MSC Group in 2023, tech executives and finance types checked the stock market from poolside cabanas with billowing curtains.

This ultra-high-end subset of cruising—where the ships typically carry 100 to 950 passengers and are defined by their level of service, spaciousness and high staff-to-guest ratio—is growing 2.5 times as fast as the overall industry. Today there's room for 1.2 million luxury cruisers each year, but the Cruise Lines International Association estimates that by 2028, the number will exceed 1.5 million, equating to more than a dozen new ships. In fact, hotel pros are rebranding cruising entirely. "The word 'cruise' does have a slight mass-market connotation," admits Anna Nash, Explora's new president and a former executive at Aman. She prefers to say she's in the business of ocean travel.

Four Seasons is pushing its Rolodex of loyal guests toward the 95-suite *Four Seasons 1*, opening next January with week-long Caribbean sailings from $20,000 per suite—not including all meals. For the $330,000 it costs to book the ship's glass-enclosed, 10,000-square-foot penthouse for a week, you could charter a decent yacht, fuel and food included. Penthouse aside, that's not even the most expensive ship coming. When Orient Express' 220-meter, 54-suite vessel arrives next summer, it will have a Guerlain spa, watersports and food by French chef Yannick Alléno, whose restaurants in Paris and Courchevel hold a cumulative 17 Michelin stars. Three nights of sailing around the Côte d'Azur will cost €16,800 ($19,075) a cabin.

These ships offer advantages that argue for the price tag. On Ritz-Carlton's 448-passenger *Ilma*, you get to spend port days not only gallivanting around Monte Carlo but also bouncing off a floating castle with a seawater pool plopped in the middle of the Ligurian Sea. On *Explora I*, a conservatory-style pool turns into a starlit cinema at night.

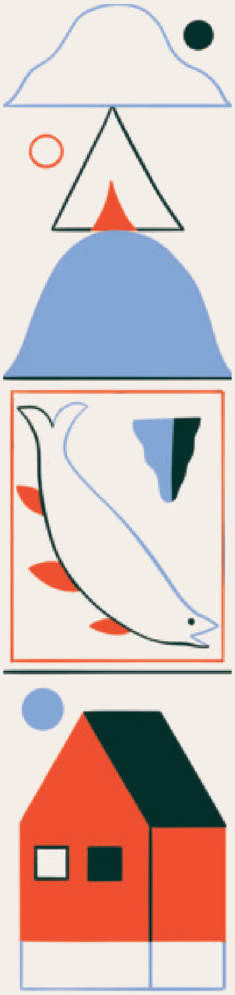
Nonetheless, the most popular perk of being on a small ship is something you can't pay for, says Nash, a lifelong cruiser. And that's community. On every sailing, she explains, she's surprised how much guests mingle and form camaraderie. "There's a feeling you are on to something that nobody else knows," she says. "That's something I never experienced in hotels, ever." Ⓑ

A HOT KIND OF COLD

Going to Greenland

By Jackie Caradonio

Camp Kiattua deep within the Nuuk Fjord



Greenland, the largest island in the world, covers 1.5% of Earth's landmass. The ice sheet enveloping 80% of its surface is the planet's second-largest, dwarfed only by Antarctica. And now its role in the news cycle seems almost as big.

By population, it's tiny: Just shy of 57,000 people live there year-round, according to the most recent census. In 2023 the number of tourists outnumbered Greenlanders more than 2 to 1.

That was then. Now the semiautonomous territory of Denmark has a newly expanded airport in the capital city of Nuuk (Greenlandic for "cape"), where most of the population resides, surrounded by fjords. Starting in June, twice-weekly direct flights on United Airlines from Newark Liberty International Airport in New Jersey will bring as many as 166 visitors each, in only 4 hours and 15 minutes. When they land, they'll find seemingly unending Arctic seclusion, with glaciers as big as mountains and, starting in the fall, views of the magical aurora borealis. All this makes Greenland more tempting than ever—and not only for politicians eyeing its strategic location and untapped natural resources.

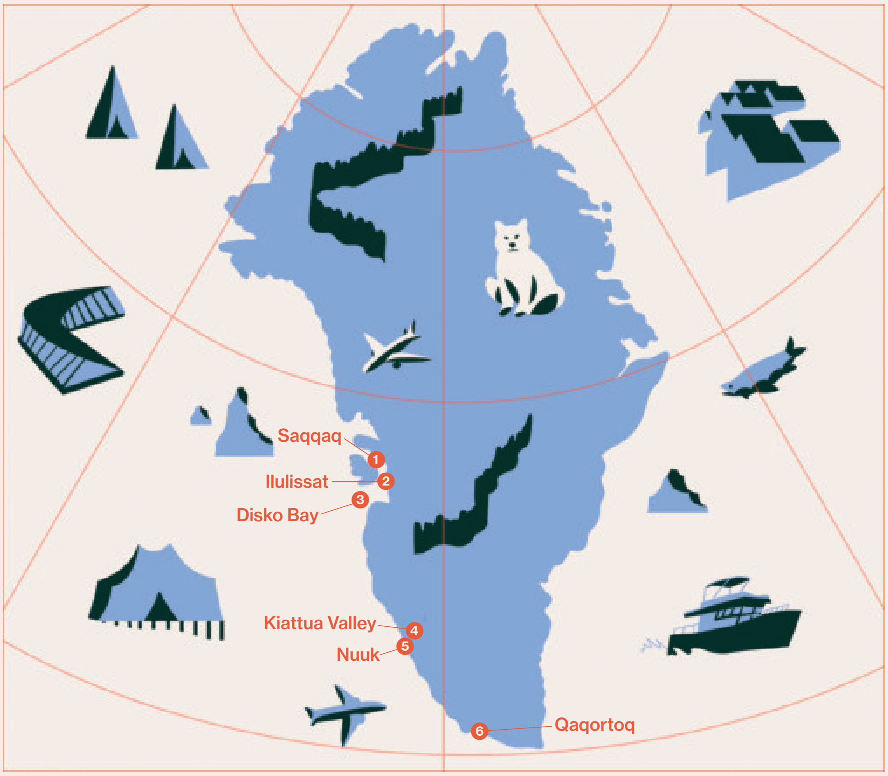
"The demand is insane. This is a breakout year for Greenland," says Sunil Metcalfe, a travel specialist for luxury tour operator Black Tomato Ltd., which started selling its first Greenland itineraries in 2017. With hotels in limited supply, he adds, availability for this summer "is down to nearly single digits already."

Nuuk is a vibrant jumping-off point, a windswept mix of colorful 18th century saltbox dwellings and modern Arctic architecture, like the Katuaq cultural center with its aurora-inspired, undulating timber cladding. Its (often free) live performances celebrate the rich history of Greenlanders, 9 in 10 of whom can claim Inuit descent. In summer you can spend long days—with highs above 10C (50F) and almost 24 hours of sunlight—paddleboarding, puffin watching or visiting the Nuuk Art Museum, in a former church. Then retreat to homey boutique hotels such as the contemporary Nordic-styled Hans Egede in the city's central district. As peak season wanes and days get shorter, the northern lights may also be visible; glimpsing them on your walk home from dinner is a surreal thrill.

Most travelers, though, make a beeline for Greenland's rugged, natural riches. Kiattua Valley, reachable from Nuuk by speedboat (1.5 hours) or helicopter (20 minutes), has the world's second-largest fjord system, after Scoresby Sund, on the island's east coast. It offers a prime habitat for humpback and other whales. You can kayak near icebergs, hike among wildflowers and heath in the world's oldest mountain range, and grab arctic char straight from crystalline streams with your hands, a traditional fishing method.

About 350 miles north, into the Arctic Circle, is Ilulissat, the main village on

■ CAMP KIATTUA: STANISLAS FAUTRÉ. ILULISSAT: ADAM MØRK/DORTE MANDRUP AND KANGIATA ILLORSUA. NUUK: ISTOCK/GETTY IMAGES



Disko Bay, where visitors are greeted by canine yowls and the steady, thunderous crash of a calving glacier nearby. (Sermeq Kujalleq is the most active one outside Antarctica, moving about 40 meters, or 131 feet, a day.) Legendary sled dogs are trained here, and excursions include *kaffemik*—coffee and storytelling with a local family—and, for the daring, polar plunges in almost-freezing waters.

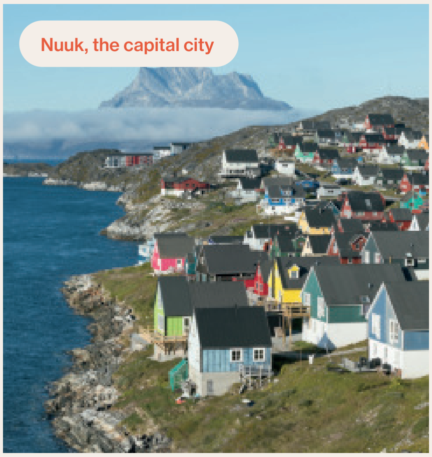
For fishing-dependent Greenland, tourism is an enormous opportunity. The government agency Visit Greenland says that by 2035 the territory might triple the €250 million ($268 million) it makes off international visitors each year. By 2027 new airports in Ilulissat and Qaqortoq, near the island's southern tip, will help travelers explore the west coast tundra without spending hours on a boat.

Still, the goal is tourism that's expertly managed, not mass. Locals' quality of life is good as it is, says Anika Krogh, a native and owner of Nomad Greenland, which operates luxury camps in Kiattua Valley and near Saqqaq, a 270-year-old settlement on Disko Bay. Thanks to their ability to reel in some of the world's best halibut, shrimp and cod, Greenlandic anglers are already well paid. Big-box hotels and Michelin restaurants are not the government's—or locals'—goals.

Instead, policies aim to tip the balance of visitors from day-tripping cruisers to overnight guests who spend multiple days and much more money exploring on land. In January, in direct response to a Visit Greenland study that found cruising had increased 64% from 2022 to 2023 while overnight stays had remained almost unchanged, the government passed a law that requires any land excursions to be led by a local tour operator. "Before this, ships would come with their own tenders and their own guides, and there would be no benefit to our society at all," Krogh says. "The only thing tourists were buying were souvenirs made in China."

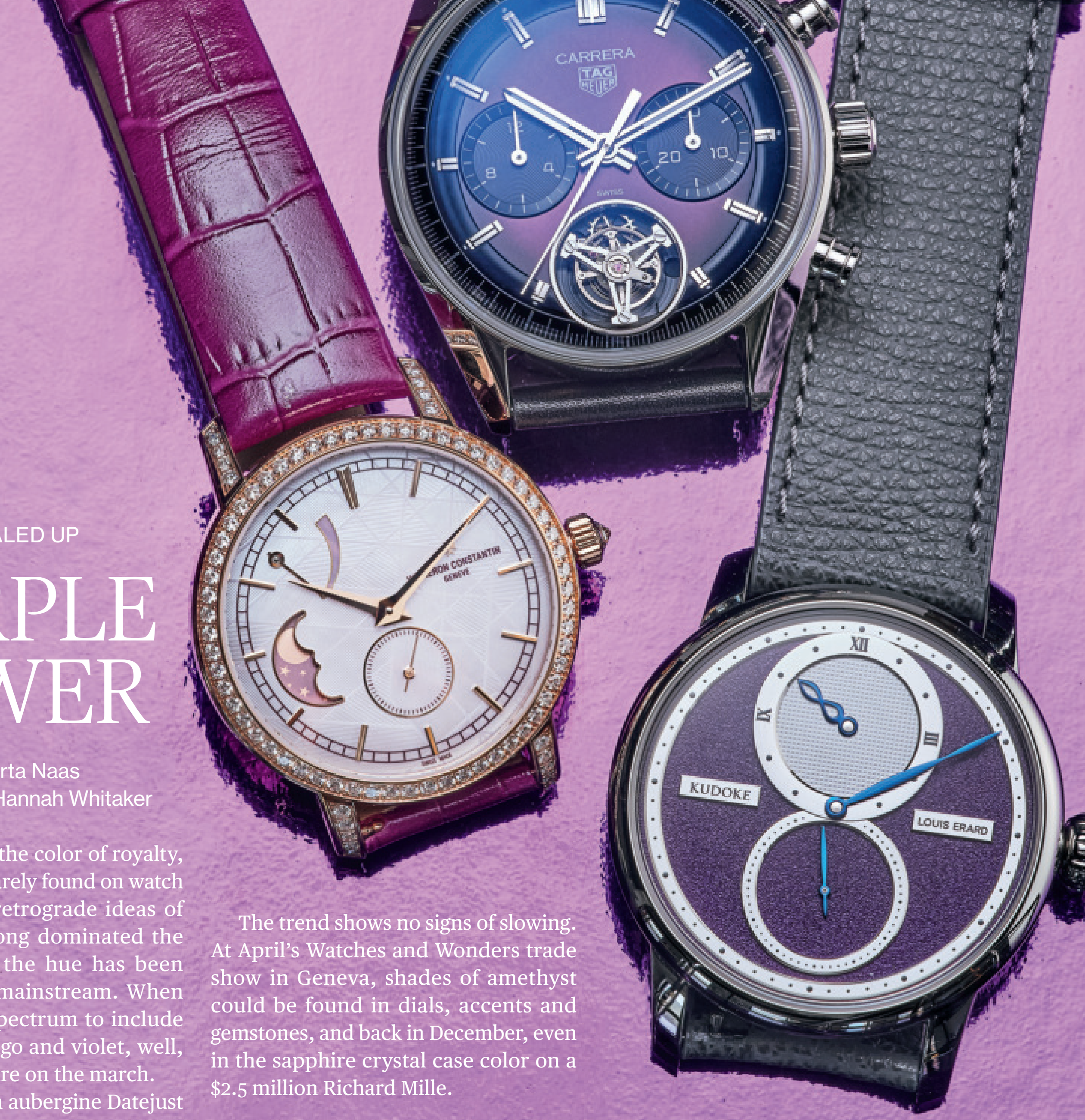
New airports and flight routes should bring more land-based tourists, those seeking a real adventure. "It helps to think of it like a safari," says Metcalfe, who regularly books clients into Krogh's glamping lodges, where rates for 4- to 10-day all-inclusive itineraries are more than €1,200 per person a night. Included are transfers and excursions and tepee-style tents outfitted with fur throws, private bathrooms and strong heaters. (Even in summer, temps can dip below freezing.) The cuisine is what Metcalfe calls "earth-to-plate," with chefs whipping up dishes with ingredients straight from the land: fresh seafood, reindeer, wild berries, mushrooms and foraged herbs.

Ilulissat Icefjord cultural center


Nuuk, the capital city

Roughing it just a little is exactly what appeals to Black Tomato's wealthy clientele. There are no brick-and-mortar accommodations, no spas or the like, but service levels remain high. "The fact that there's only a handful of tents at these camps heightens that sense of exclusivity," Metcalfe says. "They want a first-in experience—something they can brag about at their next dinner party."

The essence of Greenland, though, can be hard to accurately convey when they do: The remote beauty, the visceral extremes, the calm and intangible silences. "Transformation is not something you can promise everyone," says Krogh of more profound experiences, "but when people are out here in the wilderness, it happens." Ⓑ



ALL DIALED UP

PURPLE POWER

By Roberta Naas
Photograph by Hannah Whitaker

Although purple is the color of royalty, for decades it was rarely found on watch dials—a victim of retrograde ideas of masculinity that long dominated the industry. Happily the hue has been creeping into the mainstream. When you broaden the spectrum to include lilac, lavender, indigo and violet, well, purple timepieces are on the march.

Rolex has had an aubergine Datejust since 2018. Brands such as Audemars Piguet, MB&F and Patek Philippe started embracing the color around 2022, when the Pantone Color Institute named a periwinkle shade, Very Peri, as its color of the year. And in 2024 we saw Patek release its Twenty-4 in rose gold with a lacquered dial in plum and De Bethune unveil its DB28xs Purple Rain, a bold watch with matching case and dial made of heat-oxidized titanium.

At LVMH Watch Week in January, several brands joined the trend, including TAG Heuer with the smoky gradient dial on its Carrera Chronograph Tourbillon. “Colorful expressions are important as we push toward more innovative looks that customers want,” says Chief Executive Officer Antoine Pin.

The trend shows no signs of slowing. At April’s Watches and Wonders trade show in Geneva, shades of amethyst could be found in dials, accents and gemstones, and back in December, even in the sapphire crystal case color on a $2.5 million Richard Mille.

● Vacheron Constantin Traditionnelle Moon Phase

Powered by an in-house hand-wound movement, this 36-millimeter, 18-karat rose-gold watch offers hours, minutes and small seconds; a power reserve indicator; and a precision lunar tracker—not to mention 80 round-cut diamonds (approximately 1.13 carats) on the bezel and lugs. Raspberry accents on a mother-of-pearl dial in the palest pink are complemented by a purple strap. *€43,750 ($47,000)*

● TAG Heuer Carrera Chronograph Tourbillon

With its raised sapphire “glassbox” design and sunray brushed purple dial with black subdials, this 42mm watch is all about creating a soft visual effect as a contrast to its technological heft. Created in a limited edition of 200 pieces in stainless steel, it’s powered by the Heuer 02 mechanical tourbillon movement. *$34,850*

● Le Régulateur Louis Erard x Kudoke

This 42mm stainless-steel regulator watch (a noncoaxial design where the hour and minute hands are on separate subdials) is the fruit of a collaboration between Swiss indie Louis Erard and German brand Kudoke. Blued steel hands pop dramatically against the grained purple main dial. Only 78 pieces will be made. *$5,250* Ⓑ

JOINING THE CLUB

WATCH SPECIAL

How Rolex Makes A New Watch

By Chris Rovzar

On April 1, Rolex SA sent its vast legions of fans into a tizzy by introducing a totally new line of watches, the Oyster Perpetual Land-Dweller. Offered in steel, platinum and rose gold (and starting at $13,900, $42,100 and $59,200, respectively), the Land-Dweller immediately joined the ranks of some of the most coveted timepieces ever made, stars such as the Rolex Submariner, GMT Master-II and Cosmograph Daytona.

So how does Rolex—a brand whose great strength, like that of fellow luxury juggernauts Hermès and Porsche, is that it doesn't change much over time—go about inventing a new watch? Well, the story of the Land-Dweller began seven years ago, when the office of general management (aka Chief Executive Officer Jean-Frédéric Dufour) issued a brief to the Rolex design team. The idea was for a new product to be a distant cousin to the Sea-Dweller dive watch and the Sky-Dweller calendar watch with its two time zones for jet-setters. Of course, most people wearing a Sea-Dweller aren't using it to dive. They're wearing it as they type on their computer or go out to dinner. The Land-Dweller is meant to honor these people—ones who live in the real world—and give them a tool watch.

The brief instructed that the timepiece should take design inspiration from both the reference 5100, a quartz Rolex from 1969 beloved by aficionados for its integrated bracelet, and from the reference 1630, a two-tone mechanical Datejust from 1974 with angled bracelet links. "It is important to say that the new watch is not a revival," Rolex historian Christophe Carrupt says as he shows me the vintage models at a top secret prelaunch meeting in Geneva. "But it is inspired by the DNA of the brand." Ⓑ

■ ROLEX

SAPPHIRE CASEBACK

For a long time, the sturdy Rolex movements were hidden from view—the technology inside wasn't the point, really—but with innovations such as the Dynapulse escapement and the trend of watchmakers at every price point employing see-through casebacks, the brand is moving toward showing off its work.

THE FLUTED BEZEL

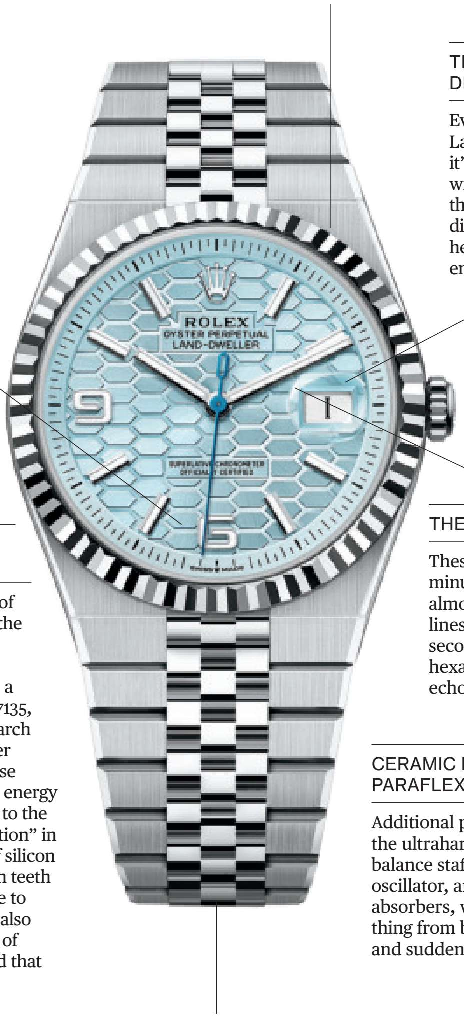
Variation in the number of flutes, or crenellations, on the bezel of a watch can give it a very different feel. Rolex's 1908 watch, which was released in 2023, has 180 flutes—making them very small and classic-looking. The Datejust 40mm has 72 flutes, which means they're bigger and more glittery. The Land-Dweller has only 60 flutes, for an even more modern look.

THE HONEYCOMB DIAL

Every version of the Land-Dweller, whether it's the platinum edition, with an ice-blue dial, or the others, with a white dial, has an elongated hexagon pattern laser-engraved across it.

THE HOUR MARKERS

One of the 32 patent applications for this watch is for the way the hour markers contain their luminescent material (lume) while remaining open-ended on each side. The nondiamond versions of the watch have only two numerals—9 and 6.



THE HANDS

These are new hour and minute hands for Rolex, almost perfectly straight lines with lume in them. The second hand has a small hexagon at its anchor end, echoing the dial pattern.

THE DYNAPULSE ESCAPEMENT

Two technical requirements of the Land-Dweller brief—that the watch beat at a more precise 5 hertz, instead of 4Hz, and that it be thinner—resulted in a new movement, the Calibre 7135, with 16 related patents. Research and development head Olivier Greim calls the new Dynapulse escapement, which transfers energy from the watch's mainspring to the timekeeping, a "small revolution" in itself. A beautiful, tiny pair of silicon distribution wheels have both teeth and blades on the same plane to interact with each other and also move the impulse rocker. All of this adds up to a second hand that moves extremely smoothly.

CERAMIC BALANCE STAFF AND PARAFLEX SHOCK ABSORBERS

Additional patents are related to the ultrahard, ultrasmooth ceramic balance staff in the middle of the oscillator, and a pair of shock absorbers, which keep the whole thing from being affected by jolts and sudden movements.

THE FLAT JUBILEE BRACELET

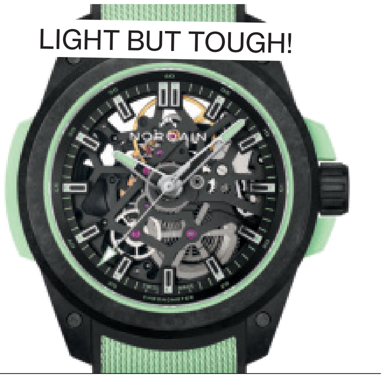
A traditional Rolex Jubilee bracelet is a five-piece link setup, with two thicker, semicircular outer links flanking three smaller, round inner links. In this modified version, the links are flat and appear to flow out of the sides of the case in a continuous line. "It's a sharp edge," says Davide Airoldi, head of design. "But it remains very comfortable." Although the bigger links have a lush "technical satin finish," which Airoldi says is a result of using a harder, deeper brush, the corner of the links is chamfered and polished smooth. And thanks to a patented new mechanism inside the bracelet joint, there are no screws visible on the outside of the lugs.

WATCHES OF THE YEAR

Best and Brightest

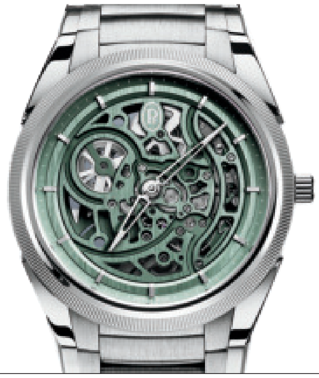
By Chris Rovzar

Last month at Watches and Wonders in Geneva, 60 elite watchmakers offered collectors many new models to covet, at a wide range of price points. Here are the timepieces that stood out


LIGHT BUT TOUGH!

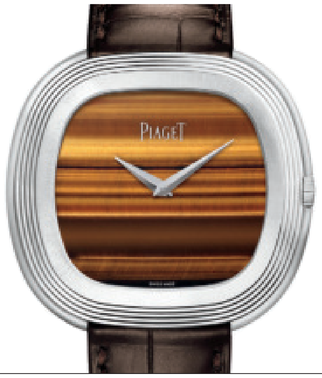
Norqain Wild One Skeleton Mint

This limited-edition color just looks great on cult brand Norqain's 39-millimeter skeletonized Wild One watch. Proprietary Norteq material makes for an ultralight case, and an internal rubber-and-titanium shock-absorbing system means it's especially rugged. Only 400 of this version will be made. *$5,890*



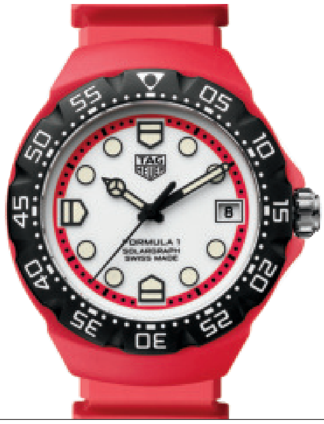
Parmigiani Fleurier Tonda PF Skeleton

Parmigiani manufactures understated watches that are impeccably finished, and the slate-green coloring on this openworked dial makes the handiwork inside absolutely glimmer. At 40mm in stainless steel, it's simultaneously understated and a huge wow. *$70,300*



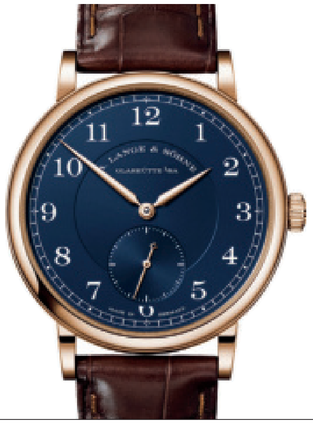
Piaget Andy Warhol

Aficionados and influencers (including the OG media phenom who used to wear this model) have shown a growing fascination with stone dials and sculptural gold watches. Piaget is ready to meet the moment with this white-gold stunner featuring a big, attention-grabbing hunk of tiger's-eye. *$51,000*



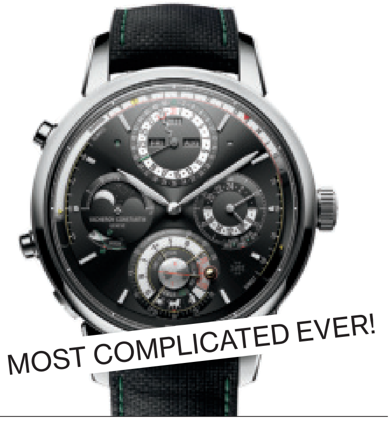
TAG Heuer Formula 1 Solargraph

A long-awaited reinvention of a line of cheap, colorful watches from the 1980s coincides with LVMH's 10-year partnership with the motor sport. The Formula 1 now has a semitranslucent dial so sunlight can charge the quartz movement. The 38mm case is in a biocomposite called TH-Polylight, which is extremely light and water-resistant to 100 meters. *$1,800*



A. Lange & Söhne 1815

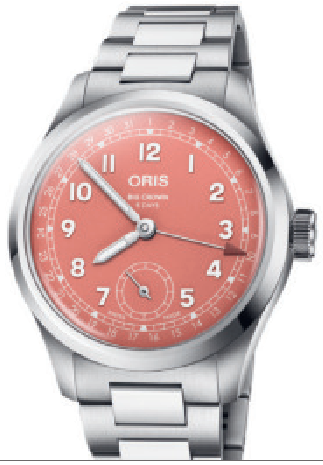
This is a very simple piece from the masters of high complications and mind-boggling interior finishes. The 34mm 1815 has only three hands, a blue dial and a pink-gold case, but it's nonetheless a totally new movement for Lange. At a mere 6.4mm thick, the watch looks impeccable on slender wrists. It's just perfectly done. *€27,000 ($30,600)*


MOST COMPLICATED EVER!

Vacheron Constantin Solaria

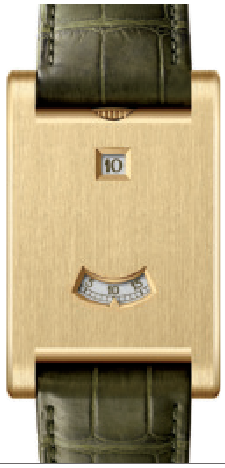
Following Vacheron's debut last year of the most complicated pocket watch (it weighs more than 2 pounds), this one-of-one wristwatch includes 41 complications yet measures only 45mm across. Most astounding, the Les Cabinotiers Solaria Ultra Grand Complication was engineered and assembled by a single watchmaker over eight years. *Price unknown*

■ COURTESY COMPANIES



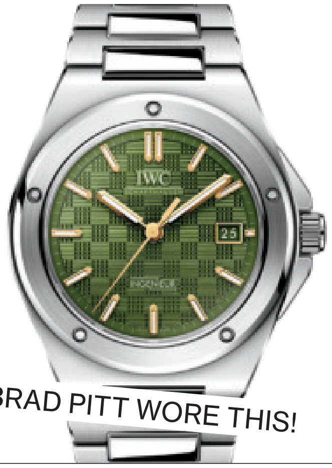
Oris Big Crown Pointer Date Calibre 403

Oris brings one of its most popular collections into a new 40mm size; this superbly made watch is cleanly designed with a timeless look. The terra cotta color is handsome, whether on a sustainable deer-leather strap (a byproduct of annual culling in Switzerland) or a stainless-steel bracelet. *$4,300 on bracelet*



Cartier Privé Tank à Guichets

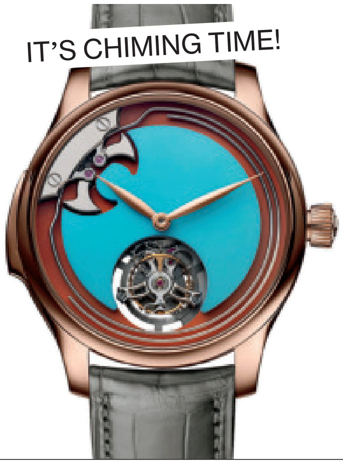
A resurrection of a jumping-hour style designed by Louis Cartier and released in 1928, this simple watch has a small hour window at top, a minute disc visible through an arched window at bottom and a brushed case. The 2025 models are 37.6mm tall by 24.8mm wide and come in yellow gold, rose gold and platinum, with a crown at the top. *$47,700 in gold*



BRAD PITT WORE THIS!

IWC Schaffhausen Ingenieur Automatic 40 Green

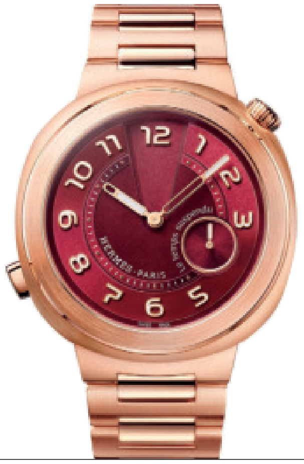
Created in honor of a prop Ingenieur with a mossy dial and gold accents worn by Brad Pitt while filming *F1*, this stainless-steel iteration of Gérald Genta's famous design will be made in a limited run of 1,000. A 120-hour power reserve means no fretting about running out of gas when you take it off for a bit. *$12,900*



IT'S CHIMING TIME!

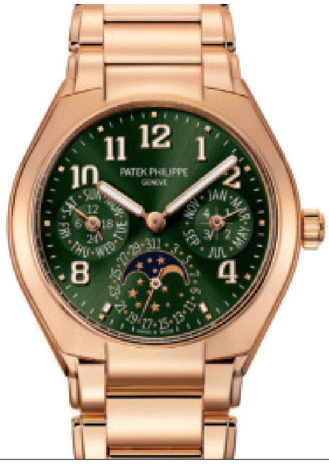
H. Moser & Cie. Minute Repeater Tourbillon Concept Pop

The avant-garde brand's brightly colored "Pop" collection makes great use of semiprecious stones, such as the turquoise and coral here, inset so smoothly together they look as if they were painted. The simplicity of the Moser concept dial (with no hour or minute markers) works well with the minute repeater complication, which has a visible gong and hammers chiming the time. Oh, and there's also a tourbillon, because why not? *Price on request*



Hermès Cut Le Temps Suspendu

The French maison has reintroduced a trick it first perfected in 2011, when it made its debut in the realm of high horology with the "Time Suspended" watch. As with that one, the new Cut line offers a way for a wearer to elegantly stop time—at least visually. Press a pusher, and the hands pause near 12 o'clock, giving you a mental break while the movement continues to track accurately under the dial. Push it again, and the hands wind back to the correct time. *$51,850*



Patek Philippe Twenty~4 Perpetual Calendar

Patek released several watches this year that will be more important to the brand's fans, such as the smaller 40mm Cubitus in white gold and rose gold. But this tidy, glittery 36mm 4N rose-gold timepiece packs a lot of power in a small package and somehow remains legible and elegant. Even without the perpetual calendar, it would be an excellent lifer watch, especially as it gets less shiny—but how nice to set it and forget it. *$120,190*

BEYOND JEWELRY

WHO WANTS TO BUY AN AUTOMATON?

By Kristen Shirley

Plenty of companies are producing robots these days, but few are doing it the 18th century way. Van Cleef & Arpels, one of the world's biggest jewelry brands, is now in the business of making self-powered automatons, ingenious devices that the monarchs and nobles of Europe once collected. (Think of the mysterious wind-up boy in the 2011 film *Hugo*.) These mesmerizing machines, each one unique, are covered in gold, diamonds and gemstones.

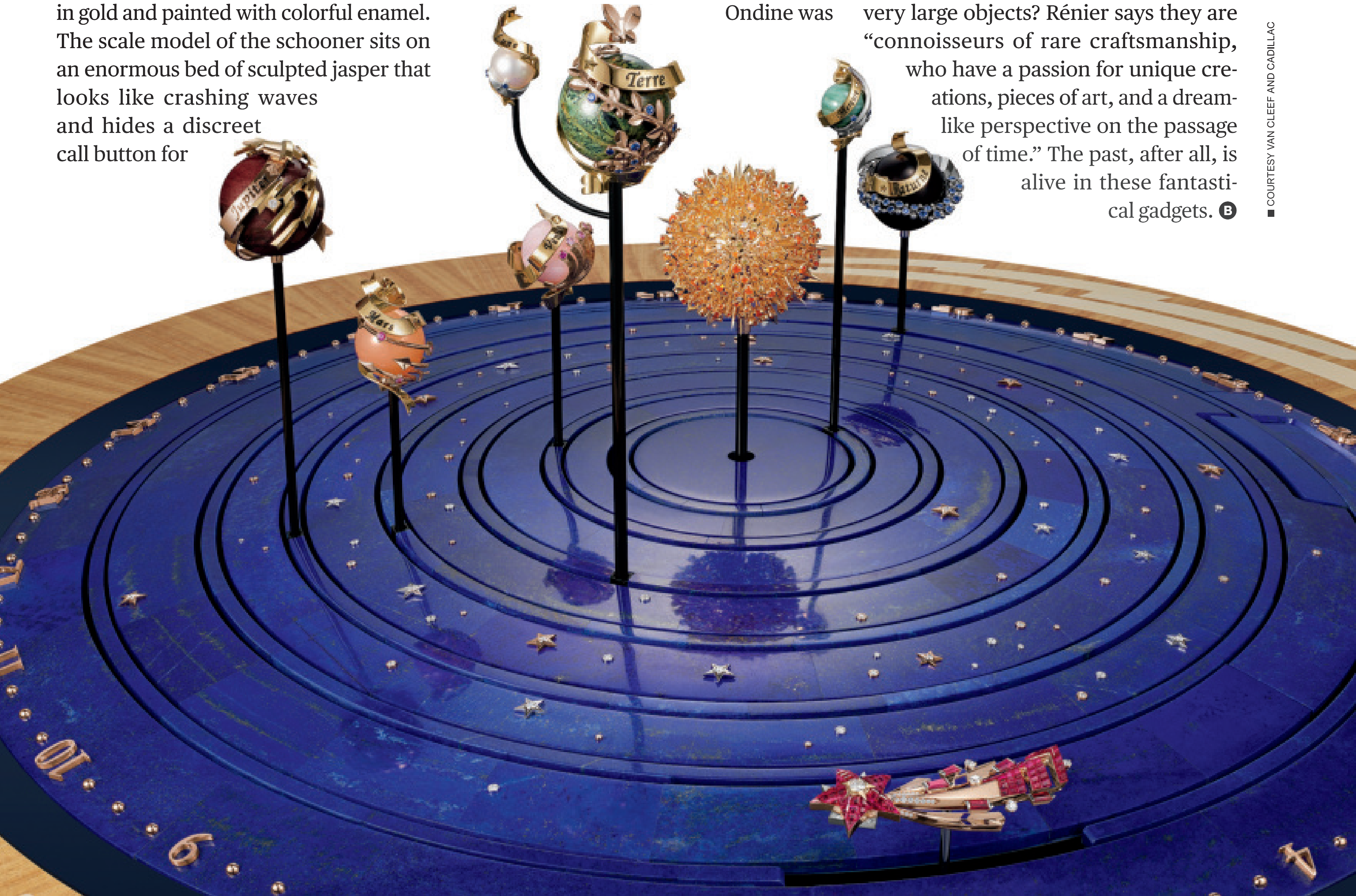
Van Cleef has made what it calls "Extraordinary Objects" ever since it opened in Paris in 1906. The first such piece was a private commission from a wealthy New Yorker who wanted a miniature replica of his boat, *Varuna*, rendered in gold and painted with colorful enamel. The scale model of the schooner sits on an enormous bed of sculpted jasper that looks like crashing waves and hides a discreet call button for butler service. Other objects—a clock, a birdcage—were soon rendered in precious materials, and they've become valuable collectibles.

In the 2010s the company added a new layer of complexity to the objects: movement. Van Cleef partnered with expert craftsman François Junod to create a fanciful tabletop-size high-jewelry automaton. This first effort depicted a fairy—an emblem of the maison—relaxing on a glossy lily pad near a closed water lily. On demand, the lily pad ripples, the flower opens, revealing a shimmering butterfly flapping its wings, and the fairy raises her head and moves to watch it flitting about.

When the Fée Ondine was revealed at an international watch show in 2017, it caused a sensation. Van Cleef has now made 11 automatons in total, and Chief Executive Officer Catherine Rénier says they have become an "integral part" of its collection. The company wouldn't disclose the prices of these objects (or the names of their collectors), but industry experts estimate they go for about $10 million.

In addition to its fairy- and nature-inspired creations, Van Cleef's artisans have made one with a flying cupid and crafted astronomical pieces inspired by its award-winning Midnight Planétarium watch. The 2025 version (below) is a precise astronomical clock: The planets revolve at the same speed as they do in the sky, so it will take Saturn 29.5 years to orbit the gleaming sun, made from yellow gold, rose gold, yellow sapphires and more. But you can push a lever to make the music box play, spin the planets and send a ruby-set shooting star flying around the outer ring. When the cycle is finished, each element returns to its original spot and continues on its cosmic journey.

So who's buying these very expensive, very large objects? Rénier says they are "connoisseurs of rare craftsmanship, who have a passion for unique creations, pieces of art, and a dreamlike perspective on the passage of time." The past, after all, is alive in these fantastical gadgets. Ⓑ



■ COURTESY VAN CLEEF AND CADILLAC

GREEN GIANT

The Escalade Goes Electric

By Hannah Elliott

The Cadillac Escalade has been the bestselling large luxury SUV in North America for over a decade. And with more than 1 million sold globally, it's earned its status as the coolest such vehicle made in the US. A rare oversize legend, it consistently provides fans with a combination of space, opulence and the kind of swagger one can only get alighting from a 6-foot-3-inch rig.

This spring marks the arrival of the all-electric Escalade IQ. The $127,700 behemoth costs $40,000 more than its gas-powered counterpart and is the US carmaker's first attempt to use batteries alone to power its crown jewel. It has a handsome and imposing exterior and an interior befitting a private plane, plus a driving range that beats the Kia EV9, Rivian R1S and Volvo EX90. (Tesla doesn't make an SUV this big.) Cadillac once represented the pinnacle of American luxury; with the Escalade IQ, the brand can fairly claim to be at the top of the electric SUV competition.

But why now? EV sales have slumped, and other automakers are pivoting away from them, or at the very least delaying them. Still, every serious car company needs a heavy-hitting EV option. So I decided to give Detroit's new gem a spin. As I drove down the highway in my capacious bubble, questions about who wants this thing and why faded away. The smooth and quiet Escalade IQ made me feel like the only thing that mattered was…me.

Silent as a vault, the IQ is magically light to steer, a surprise considering its 9,000-pound heft. I pressed the accelerator and hit 60 mph in five seconds. That kind of speed, though not unprecedented, was enough to make me feel I could command the 750 horsepower and 785 pound-feet of torque with all the bad-attitude aggression I usually reserve for sports cars and coupes. I blasted Doechii and Neil Young through the 19-speaker AKG system with Dolby Atmos. A clip-on screen covering the panoramic glass roof was the only thing in the softly illuminated interior that looked chintzy.

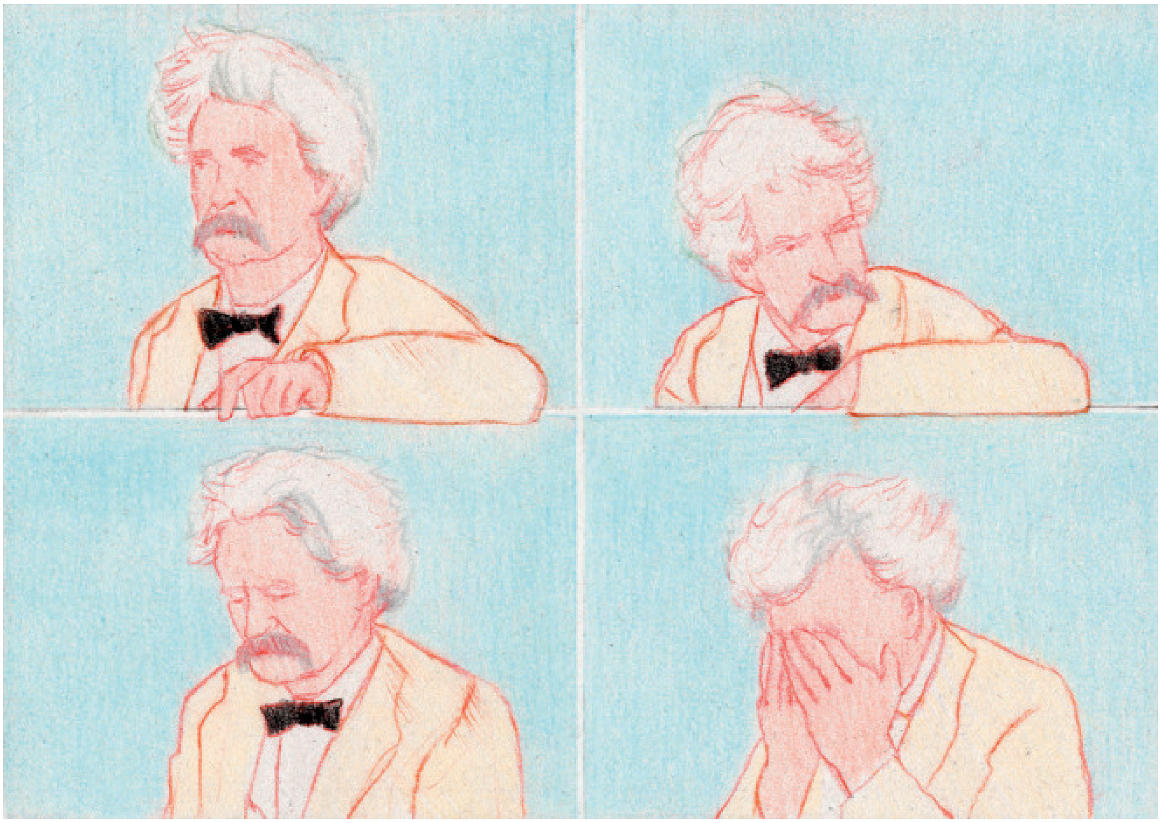
Driving a 19-foot SUV on city streets is a different story; it's still an Escalade, after all. This brontosaurus has side cameras that are meant to make steering on a grid easier, but their view—projected onto a 55-inch curved dashboard screen—is more confusing than helpful, a classic case of tech getting in the way of life.

This is probably why, in cities, Escalades are best left to professional drivers (aka livery). In less urban settings, families find them an irreplaceable tool for soccer runs, summer road trips and sundry chores, Cadillac says. There's just so much space, plus useful extras such as stowaway tray tables, massaging rear seats with entertainment screens and headrest speakers.

Will those households still want an Escalade if it's tethered to a plug? I don't know. Every car executive I ask says range anxiety and poor public charging impede widespread EV acceptance. I do know that, for those who can afford the IQ's higher price, its 465 miles of range should help alleviate such concerns. (Those livery drivers will certainly appreciate all the money they'll save on gas; maybe suburban parents will too.) Plus, the front trunk in the Escalade IQ offers additional storage compared with the internal combustion version. What family doesn't want more of that? Ⓑ

Mark Twain’s Ragged Yarn

By Gary Sernovitz
Illustrations by Kristina Tzekova



Many people know that Mark Twain co-wrote *The Gilded Age,* an 1873 account of the rough and hustling capitalism of the late 19th century. (It wasn’t a good book; most of Twain’s two-dozen-odd books weren’t good books.) What’s less known is that the writer wasn’t merely an observer of America’s rugged free enterprise—he was also an obsessive participant.

And mainly an incompetent one.

In his new 1,000-plus-page biography, *Mark Twain* ($45, Penguin Press), Ron Chernow writes, “So entangled did Twain become with his investments that at times it was hard to tell whether he was a literary man with business sidelines or a businessman who dabbled in letters.” Chernow integrates the writer’s cupidity into the book and shows how Twain’s fast, rowdy style made his name and complicated much of his life’s work. Twain died famous. He didn’t die particularly happy.

Born Samuel Langhorne Clemens, he began his professional career humbly, typesetting in Missouri and New York City and piloting a riverboat on the Mississippi for four years. Clemens moved to Nevada at age 25, soon after the Civil War broke out. He worked as the secretary for his brother in the local government, as a failed silver miner, then as a city editor of Virginia City’s *Daily Territorial Enterprise* newspaper. He wrote crime stories, outright hoaxes (claiming, for instance, he saw the “Petrified Man”) and everything in between. That’s where America first met the brash, funny, refreshingly conversational voice of his persona, Mark Twain. Before long he was writing for national magazines and living a literary life after lucking into scoops—a volcanic eruption! a shipwreck!—during a trip to Hawaii.

These tales were what Twain started to present in likely his most natural narrative mode: storytelling “lectures” to large crowds in a deadpan, stand-up style. They helped define his early material, and his first book was his greatest commercial success. *The Innocents Abroad*, funny travel anecdotes and observations that later worked well on stage, came out in 1869.

The next year, Twain accrued yet more capital the old-fashioned way by marrying the heiress to a very large coal fortune. With their combined assets, he set his ambitions on not only becoming richer but obtaining world-historical wealth. This was a lifelong preoccupation, almost always to his detriment. Twain lived a lifestyle that demanded huge scores: servants galore and a 25-room dream house in Hartford, Connecticut (which you can still visit). His attention was scattered across schemes. He once advised Andrew Carnegie to not put all his eggs in one basket. Carnegie replied, "That's a mistake. Put all your eggs into one basket—and watch that basket."

Worse, Twain overestimated his own business acumen. He bought lots of individual stocks on margin. After his groundbreaking success as the publisher of Ulysses S. Grant's posthumous memoir, he published lesser Civil War generals' memoirs to increasing losses. Over many years, he sank $9 million in today's money (largely from his wife's inheritance) into a startup developing the "Paige Compositor," the most advanced machine to set type for publishers. It was too advanced. Overly engineered and unreliable, it lost the market to a simpler Linotype process.

His contemporaries widely gawked at his mistakes. (The *Washington Post*: "One good way to locate an unsafe investment is to find out whether Mark Twain has been permitted to get in on the ground floor.") In the early 1890s, he left the Hartford house, went bankrupt and lived in Europe in straitened circumstances, if hardly in poverty, for nine years.

Twain eventually got out of this financial morass by restructuring his book royalties and relying on the advice and sometimes dodgy trades of famous buccaneering capitalist Harry "Hell Hound" Rogers. It's as if Susan Sontag had turned over her investments to Steve Cohen.

What *Mark Twain* makes clear, however, is that the writer's perpetual business failures were not because he was a fragile poet unsuited to the knock-about world of commerce. They were the same as his failures as a writer. Twain was always impatient, with "nothing solitary or contemplative in his nature." His writing came out in a rush of formats, genres and varying quality. Writers should also probably put all their eggs into one basket—and watch that basket.

Twain's life reached its "pinnacle of happiness" in 1885, on page 362 of Chernow's book. At 50, he was living in the dream house in Connecticut, with his wife and three daughters, reveling in the literary peak of *Adventures of Huckleberry Finn* and the business peak of Grant's autobiography.

And then Chernow's dark book continues for 671 more pages, dedicated to the final third of Twain's increasingly unhappy life. Twain's writing never reaches the same power or consistency. His wife and two of his daughters die. His views on humanity curdle. He embarrasses himself to the modern reader—and many at the time—by obsessively (if chastely) hanging out with young girls. When, on page 596, he gets to that old, misquoted Twain chestnut, the "news of my death is greatly exaggerated," the reader is kind of disappointed. There are 437 pages to go.

Chernow, who's recharged the immortality of a few great Americans (most famously, Alexander Hamilton), has written a book about the limitations of our body and mind, the traps of our reputation, the death of those we love and the yearning for youth. He clearly likes and admires his subject: how Twain was on the right side of most of the important questions, defending the rights of Black and Chinese and Jewish Americans, arguing for female suffrage and against American imperialism.

Nonetheless, Chernow has written a biography more about disappointment than success, more about mortality than morality. The book offers useful lessons on what not to do in business and writing. And Twain offers a model on how to respond to life's discontents: with perseverance, a commitment to what's right and the belief that humor might be the best antidote to despair.

Pursuits Picks for May

By James Tarmy

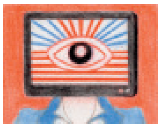
● FILM

The Phoenician Scheme

King of twee Wes Anderson is set to deliver yet another star-stuffed feature, this time in the form of an espionage thriller. Benicio del Toro plays one of Europe's richest men, supported by a cast of such up-and-comers as Tom Hanks, Scarlett Johansson, Benedict Cumberbatch and Jeffrey Wright. *May 30*

● BOOKS

The American Mirage: How Reality TV Upholds the Myth of Meritocracy by Eunji Kim



By design, reality TV was always too good to be true, but its falsehoods are, Kim argues, more pernicious than we thought. By creating a mirage of meritocracy, *Shark Tank*, *American Idol* and other competition shows perpetuate the myth that the rich are justly so, and the poor are losers for a reason. Using original data (Kim is an assistant professor of political science at Columbia University), the book implies causality between the rise of *MasterChef* and the weakening of America's welfare state. *May 6*

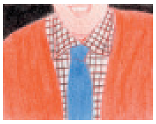
● STREAMING

Murderbot

Decked out in the high-end trappings of self-serious sci-fi but infused with an undercurrent of self-mockery, this 10-episode series follows a robot (Alexander Skarsgård) that gains free will. And what does it want to do with its newfound agency? Emote and watch soap operas. Unfortunately, other, more action-packed schemes keep getting in the way. *May 16 on Apple TV+*

● THEATER

Giant



After selling out at the Royal Court Theatre, Mark Rosenblatt's play about the writer Roald Dahl is moving to London's West End. It opens as Dahl (John Lithgow), on the verge of releasing *The Witches*, has just published an explosive critique of Israel's 1982 invasion of Lebanon. As his team does damage control, Dahl's problematic beliefs, which tilt past anti-imperialism into outright antisemitism, bubble to the surface. *May 1 to Aug. 2*

● MUSIC

Lana Del Rey *The Right Person Will Stay*

Now fully established as the dark-pop voice of millennial malaise, Del Rey is tipping her sonic hat toward…country? Her 10th studio album, previously known as *Lasso*, offers 13 tracks of gothic Americana written with country producer Luke Laird and hitmaker Jack Antonoff, among others. A UK and Ireland stadium tour kicks off in late June. *May 21*

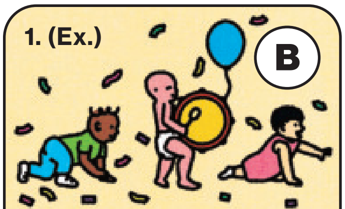
Mergers and Acquisitions

● By Kid Beyond

In each box below, two well-known companies have merged, acquiring an extra letter in the process. To make their new brand, they've decided to scramble all the letters. Your mission: Unscramble each merger to find the two corresponding names from the list on the left, then write the acquired letter in the circle. Each name can be used only once. We've completed the first puzzle as an example.

- ACURA
- AIRBNB
- AMD
- APPLE
- ARMANI
- CARTIER
- CISCO
- COMCAST
- ~~EBAY~~
- FERRARI
- GOOGLE
- HERMES
- IBM
- INSTAGRAM
- INTEL
- LINKEDIN
- MACY'S
- META
- MICRON
- MICROSOFT
- MOSCHINO
- NIKE
- NVIDIA
- OPENAI
- ORACLE
- ~~PRADA~~
- ROLEX
- SAMSUNG
- SEPHORA
- TARGET
- TESLA
- VERSACE

1. (Ex.)

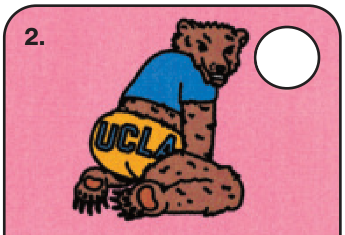


B

EBAY + PRADA + B =

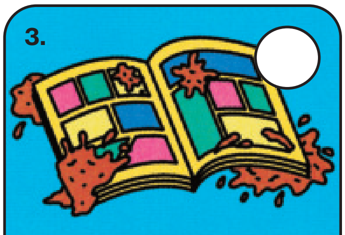
BABY PARADE

2.



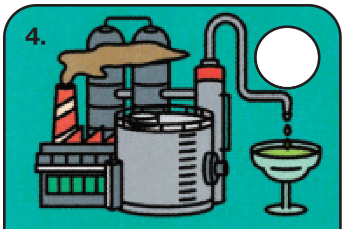
UCLA APPAREL

3.



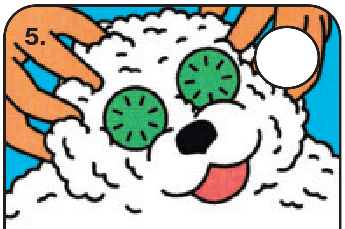
SAUCY COMICS

4.



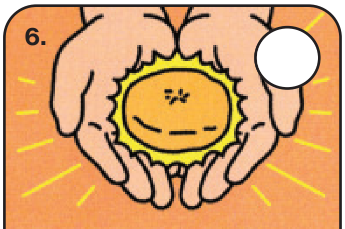
MARGARITA REFINERS

5.



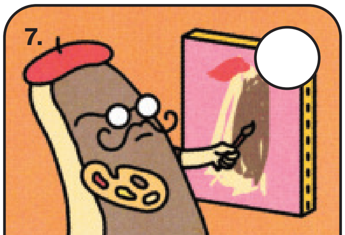
POOCH RELAXERS

6.



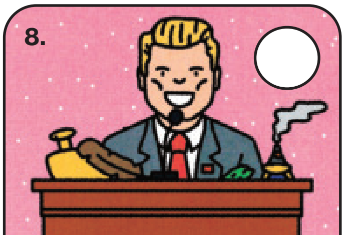
KNISH DELIVERANCE

7.



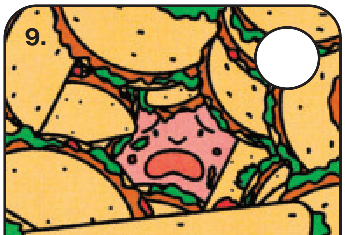
ECLAIR ARTISTE

8.



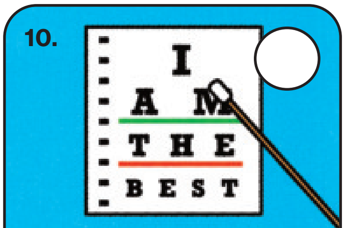
PREMIER SHAMAN

9.



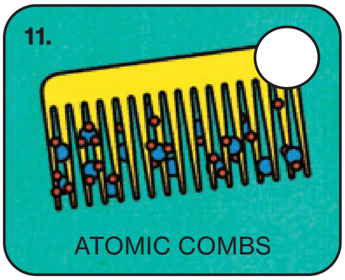
SMOTHERING TACOS

10.



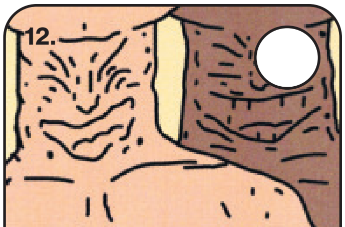
FOREMOST OPTICIAN

11.



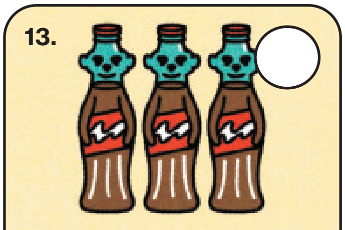
ATOMIC COMBS

12.



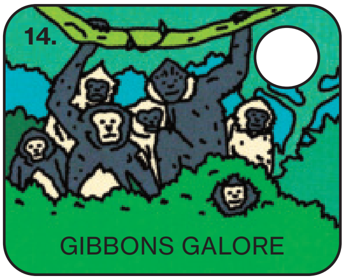
AMUSING NECKS

13.



MEERKAT COLA

14.



GIBBONS GALORE

When you've solved all the mergers, four names will remain. Read the circled letters from **1** to **14** to see what those names have in common. Then turn to page 6 to check your answers.

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SUDAN
SENEGAL
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SIERRA LEONE
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CAMEROON
GABON
SOUTH SUDAN
ETHIOPIA
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KENYA
ANGOLA
ZAMBIA
ZIMBABWE
BOTSWANA
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UZBEKISTAN
TAJIKISTAN
AFGHANISTAN
PAKISTAN
PAPUA NEW GUINEA
SOLOMON ISLANDS
AUSTRALIA
ASML
SAMSUNG
SONY
BHP
4826
848
180
78
57
18
14
28
255
36
1486
121
31
157
562
159
224
101
205
727
1235

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